MINUTES OF REGULAR MEETING
CLEVELAND UTILITIES AUTHORITY BOARD
September 23, 2026

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; Mayor, Kevin Brooks, Councilman David May, Jr.; and Debbie Melton.

Others in attendance were Tim O. Henderson, President/CEO; John Corum, VP Administrative Services; Amy Ensley, Utility Board Secretary; Jimmy Isom, Electric VP; Craig Mullinax, Water & Wastewater VP; Marshall Stinnett, VP/CFO; Walt Vineyard, Executive VP; Sofia Carden, Executive Assistant/Communications Specialist; Reagan Hicks, Energy Services Advisor; and Tim Siniard, Cleveland Daily Banner.

Following the Pledge of Allegiance to the American Flag, Reagan Hicks delivered the invocation.

PUBLIC COMMENTS-NONE

MANAGER'S UPDATE

Customer Appreciation Celebration Recap

Henderson presented the board with a recap of the Customer Appreciation Day that was hosted on Cleveland Utilities main campus. He expressed gratitude for the community that attended and employees who participated in the event.

TVA Home Uplift Program

This is CUA's fourth year participating in the Home Uplift Program through TVA. Nine homes that are served by Cleveland Utilities were part of this program. Overall, each home received an average of $12,806 in free project measures, resulting in a tremendous amount of energy savings for those homes. Henderson thanked John Corum and Reagan Hicks for their time and efforts within the program.

New Building Bid Process Update

CUA held a pre-bid meeting on September 17th, which included many bidders expressing interest. Henderson informed the board that the official bid opening is slated for October 29th at 3PM.

Chamber Best Partner – EL Ross

Henderson updated the board on CUA's new Chamber Best Partner, E.L. Ross Elementary School.

United Way Campaign Results

This year, CUA employees raised a total of $74,802.74, exceeding the goal set by committee members for the campaign. Henderson expressed gratitude and recognized the giving hearts of CUA employees for their participation in this yearly campaign through donations.

CU Bill Redesign

Henderson informed the board of an update to the bill design that CUA customers currently receive. Henderson explained that the process has been lengthy to ensure a fresh new look to customers that aligns with the new fiber bill as well. VP, Marshall Stinnett confirmed that the fiber bill will stay separate from this new bill design as well.

Fiber Update

As of September 23rd, CUA has a total fiber customer count of 4,100. The goal is to reach 5,000 customers by the end of 2026. On average, CUA is installing 50-60 new customers every week with 150-200 in the hopper to be installed. These numbers have stayed consistent. The division recently hired two new full-time outside plant technicians. Stinnett highlighted for the first time in its history, the fiber division increased its cash balance, meaning it brought in more cash than it spent, an extremely important metric.

Public Power Week – October 4-10th

Public Power Week will begin on October 4th and will be celebrated across the United States. CUA is one of over 2,000 public electric utilities that are not for profit. Meaning costs are centered around the lowest cost and efficiency of use. CUA will celebrate the entire week with social media posts and a T-shirt for employees to wear on Friday, October 9th.

Columbus Day Holiday – Monday, October 12th

CUA offices will be closed Monday, October 12th, in observance of Columbus Day. As always, the 24/7 Call Center/Plants will be operational and regular emergency/standby services will be maintained.

CUA Family Picnic Reminder – Thursday, October 15th, 4PM – 7PM, Fletcher Park

Henderson reminded the board of Cleveland Utilities' Annual Family Picnic at Fletcher Park beginning at 4 PM. He extended the invitation to all board members and encouraged them to attend.

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 August 28, 2026

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

FINANCIAL REPORT

1. **Electric Division August 2026 –** During the month of August, the cost of purchased power as a percentage of retail sales was 74.5 percent and can be compared to the budgeted percentage of 74.5 percent for FY 2027. The results for the month are electric sales revenue of $12,685,443 which was offset by a purchased power expense of $9,449,745. This resulted in an operating margin of $3,235,699 and can be compared to the budgeted margin of $3,116,981 for the month. Operating expenses for the month were $2,486,051. This is compared to a budgeted operating expense of $2,422,695. The division serviced 35,568 customers during the month of August. The net income for the month was $1,199,457 and can be compared with a budgeted net income of $1,146,337.
2. **Water Division August 2026 –** During the month of August, water sales revenue was $2,678,046 and can be compared to the budgeted amount of $2,692,194. Other revenue sources contributed an additional $297,055 for the month. The division serviced 36,240 customers during the month of August. Operating expenses for the month were $1,939,698 and can be compared to the budgeted amount of $2,095,508. The division recorded an operating income of $1,035,402 which can be compared to a budgeted operating income of $843,807.
3. **Wastewater Division August 2026 –** For the month of August, wastewater treatment revenue was $2,018,389 and can be compared to the budgeted amount of $1,910,157. Other revenue sources contributed an additional $188,294 for the month. The division serviced 22,506 customers during the month of August. Operating expenses for the

month were $1,465,846 and can be compared to the budgeted amount of $1,528,616. The division recorded an operating income of $740,837 which is compared to the budgeted operating income of $577,045.

4. **Fiber Division June 2026 –** For the month of August, fiber sales revenue was $361,837 and can be compared to the budgeted amount of $286,299. Operating expenses for the month of August were $295,969 and can be compared to the budgeted amount of $277,166. The division serviced 3,969 customers during the month. The net income for the month was $76,952, which is compared to a budgeted operating income of $15,047 of August.

ELECTRIC REPORT

1. The SCADA project officially kicked off at the beginning of August. A support engineer from Survalent was assigned to CUA's project and discussions began between CUA and Survalent. As part of the project scope, Survalent was asked to create the database and visual displays for four of Cleveland Utilities' substations on the new SCADA system. CUA electric engineering was tasked with providing a CAD drawing of the display diagrams and compiling the data point list for the first four substations. CUA engineering was able to complete this task by the end of August. During September and October, Survalent will be taking this information and creating the displays and database for these initial substations. CUA will be shown different options along the way on how the data can be visually displayed. New features will be seen that are currently not available with the existing system. In August, CUA fiber engineering also began installing fiber drops and O&Ts to the first four substations. Two of the four were completed in August, and the other two should be completed in September.
2. CUA electric engineering officially awarded the battery storage project at Lang Street substation to Tesla Corporation. Company information has been exchanged for setting up an account. Engineering has been in discussions with Tesla sales to obtain contract drafts and engineering designs for the site.
3. CUA electric engineering has been working with fiber engineering and IT to connect the first electric device to the new broadband network. The device is the Hunter's Run recloser located on circuit V-244 off Mouse Creek Road. In August, fiber engineering was able to install the O&T and connect it to the recloser. IT has been working hard to route the connection through the internal network and connect it to the SCADA system. At the end of August, the connection was near completion, but some network details needed to be corrected for SCADA to receive data from the device. The project should be completed in September. Once the first device is online, the next devices should be much easier as the network setup will be completed.
4. The Meter Lab has replaced approximately 3,250 meters and 31 collars at this point. This is an average of about 1,000 meter changeouts per month which matches the delivery of 1,000 new meters being received from the factory each month. CUA is now replacing every other electric meter in focus areas in order to keep communications with the existing Elster water meters. Once the water meters get replaced, the remaining Elster electric meters will be replaced with the new Tantalus units. These focus areas are in the northwest part of the system around the Freewill Road area. This will be a three-year changeout process.
5. CUA electric engineering issued a work order to replace a 69kV switch on Durkee Road at Calfee's Store. The switch was seen arcing during a rainstorm in early August. Operations immediately switched out the circuit to de-energize the switch until plans could be made to change it.

6. CUA electric engineering issued a work order to serve a large apartment complex on Lewis Street off Benton Pike. The site has seven apartment buildings totaling 228 units. The electric service includes 3-phase primary and 14 transformers at an approximate cost of $115,000.
7. CUA Electric Engineering has been working with Anatole Exteriors to install a new 480-volt, 3-phase service to their facility on Benton Pike. The service is for a new piece of equipment purchased for their business. To provide the service, an existing pole across the street from the property will be upsized to a 45-foot pole, 3-phase overhead primary will be extended across Benton Pike to a new pole, and a new 45kVA, 3-phase, 480-volt transformer bank will be installed on the new pole. Anatole Exteriors' contractor will be installing the underground commercial service from the AT&T pole to the building. Because the building already has a single-phase service, the customer was asked to contribute to the cost of installing the 480-volt service. Credit was given to the customer for changing the existing pole across the street since it was very old. The total estimated cost is $28,390 and the customer was asked to pay approximately $11,000. Work began in August and should be completed in September.
8. Liberty Power performed routine testing at Burlington, District, Valleyhead, Ocoee, Wildwood, and Mouse Creek Substations. Testing included breakers, relays, load tap changers and transformers.
9. An update for traffic lighting was presented:
    - The Traffic Signal Coordinator assisted Q-Free with developing a spin up/spin down procedure for the Kubernetes cluster of the Linux server that houses the Kinetic traffic signal central software platform. This procedure speeds up the recovery time after a power outage of the server and can restore the application if it crashes. The procedure can be performed in-house now without relying on Q-Free's support team for every instance.
    - The City of Cleveland personnel met with CUA in the month of August to discuss the possibility of extending CUA after-hours support through June 30th of 2027. The City is not presently ready to hire support staff through a contractor or in-house and requested CUA continue to support that effort until June 30th of next year.
10. Electric engineering completed 83 work orders during the month of August.

WATER & WASTEWATER REPORT

1. The Wastewater Treatment Plant (WWTP) Non-Potable Reuse Project is 91 percent complete. Construction is 90 percent complete and pump start-up was performed on 9-17-26.
2. The Cleveland Filter Plant (CFP) Handrail Replacement Project is complete.
3. The Summit Booster Pump Station drawings have been submitted to TDEC for review.
4. Engineering is currently reviewing the following plans:
    - Lakewood Subdivision, Phase 5, on Crestside Place NW, comprising 20 single family lots, 1,105 feet of 6-inch DIP water main, 719 feet of 8-inch gravity sewer main, and 503 feet of 2-inch sewer force main.
    - Stonebrook Subdivision, Phase 2, on Stone Lake Road SW, comprising 119 single family lots, 4,200 feet of 6-inch DIP water main, 3,569 feet of 8-inch gravity sewer main, and 584 feet of 2-inch sewer force main.
5. An update was provided for the following developments under construction:
    - The Lone Oaks Farm Subdivision, Phase 3, on Wilkinson Road NW comprising 145 single family lots is complete. It includes 7,526 feet of 6-inch DIP water main, 5,485 feet of 8-inch PVC gravity sewer, and 536 feet of 3-inch force main.

- The Westside Village Townhomes on Westside Drive and Raben Drive comprising 104 units is complete. It includes 1,932 feet of 6-inch DIP water main, 908 feet of 2-inch PEX, and 2,300 feet of 8-inch PVC gravity sewer.
- The Leatherwood Townhomes on Ramsey and Harper Street NW comprising 21 units is complete. It includes 478 feet of 8-inch gravity sewer main.

6. The Meter Services Department has completed approximately 80 percent of the Badger Endpoint changeout and installation project within the rural areas of CUA's water service territory. During this reporting period, crews installed 373 endpoints. To date, 6,793 of the total 8,500 planned endpoints have been completed.
7. The Meter Department set 31 meters through August 2026, compared to 116 for August 2025 and 53 for August 2024. Of the 31 sets, there were 22 single family homes, 2 townhomes, 2 apartments, 4 irrigation, and 1 commercial.
8. The total amount of rainfall recorded at the CFP as of September 17, 2026, was 36.44 inches for the year. This can be compared to 66.45 inches for the same period in 2020 (highest rainfall totals through September 1996-2026) and 20.78 inches in 2007 (lowest rainfall totals through September 1996-2026). The 2026 annual departure from normal is 7.60 below normal.

C. Approval of Revised Education Recognition, Education Reimbursement and Retiree Insurance Policies.

D. Approval of an agreement and purchase order with Wilder Contracting, LLC, in the amount of $335,180 for renovations to the Substation Maintenance Building & Fleet Maintenance area. The project includes an overhead mezzanine storage area connected to the existing space, along with a new break area, crews lounge, restrooms, flooring, walls, lighting, and fixtures. A public bid opening was held on August 27, 2026, with Wilder Contracting submitting the low bid. This budgeted project will address the department's immediate space needs while supporting future growth and operational efficiency.

E. Approval of a budgeted purchase order with Ring Power Corporation in the amount of $367,556 for a new 2026 insulated aerial device, with a minimum 49-foot working height, conformed to a 2027 cab/chassis. This unit is replacing the existing unit #143 (a 2017 model) service truck utilized by the Line Department. Ring Power submitted the low bid with pricing through the Sourcewell Contract 110421-TER.

F. Approval of a purchase order with S&C Electric Company in the amount of $120,879 for three, 69 kV transmission line switches to be used in new applications or to replace older switches on the transmission system as needed. These are budgeted items, and S&C submitted the low bid meeting CUA specifications.

G. Approval of a contract with CSL Services, Inc., in the amount of $166,200 for the rental, maintenance, and data collection of 25 long-term flow meters. The meters are strategically placed to measure long-term flow information and gather pre- and post-rehabilitation data during rehabilitation projects. CUA has been under contract with CSL Services for the last fourteen (14) years. Their price will increase 4% from last year's contract, an amount of $6,450. This is the first increase in the last 5 years. The monitoring is required as part of CUA's ongoing SCOPE 10 Wastewater Rehabilitation Project and is budgeted for FY2027 in the amount of $165,000.

H. Approval of a purchase order with BAR Environmental in the amount of $350,000 for the purchase and installation of a Model CMD3210-XDS2.0 Channel Monster system. This device will be used to "chop" flushable wipes, paper towels and similar items. The proposed system will be located outside the Candies Creek Sewer Lift Station, which has experienced severe “ragging” issues due to the use of flushable wipes and similar type items. There is currently a screen in the wet well that is physically pulled and cleaned at least twice a week. Some of the wipes bypass the screen and require backwashing or pulling of the pumps to clear blockages. These blockages are harmful to the long-term life of the pumps and require the use of the crane truck to pull and service. This system was the more economical of the two CUA evaluated and are familiar with the technology. This should help alleviate frequent maintenance at the Candies Creek Sewer Lift Station due to ragging issues. This item was budgeted for FY2026 and FY2027 in the amount of $375,000.

I. Approval of a budgeted purchase order with Adtran, Inc., in the amount of $198,000 for 1,200 Routers for fiber customer installations.

J. Approval of a purchase order with Irby Utilities in the amount of $153,876 for the Tantalus Project licensing, deployment services, project management, and annual hosting services. This is a budgeted item for FY2027.

Future Meeting Dates

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

- Friday, October 23
- Friday, November 20
- Friday, December 18

ADJOURNMENT

There being no other business, Debbie Melton made a motion to adjourn the meeting. Mayor Kevin Brooks seconded the motion. The motion carried unanimously, and the meeting adjourned at 1:05 p.m.

Amy Ensley
Board Secretary

Board Vice Chairman

October 23, 2026
Date