

]HARRIMAN UTILITY BOARD
AGENDA
Monday, September 29, 2025, at 5:30 P.M.

- A. Call to Order**
- B. Prayer / Pledge**
- C. Roll Call**
- D. Adoption of Previous Minutes**
- E. Hearing of Delegations**

F. Old Business

- 1. Status/Update on Ongoing Projects.

G. New Business

- 1. Discuss possible action to declare surplus inventory.
- 2. Discuss possible action to approve the F/Y 2025-26 Broadband Budget.
- 3. Discuss possible action to approve the renewal of HUB's Medicare Advantage group plan ("Blue Advantage") by BlueCross BlueShield of Tennessee, Inc.

H. Board Member Comments

General Manager Comments
General Counsel Comments
Staff Comments

I. Informational Items for Board

General Manager's Activity Report
TVA Total Monthly Fuel Cost – October 2025
Electric Reliability Statistics – August 2025
Monthly Financial Reports – June-August 2025 ON HOLD FOR YEAR-END

J. Adjournment

Agenda Item F-1:

Administrative/Multi-Department Projects:

HUB Organizational Chart Updates: HUB currently has 76 full-time and six part-time employees (excluding Board members). We are still looking for a full-time Water Treatment Plant Operator. This month, EnTrust extended job offers to new employees, who we expect to join our project team toward the end of October. One of them is a Harriman resident who currently works for AT&T. The second gentleman, from Spring City, will fill the Network Engineer position. EnTrust will employ both men as they undergo training and onboarding during our fiber build-out.

Infrastructure Planning Grant (IPG): No significant updates to report.

HUB Fiber Department:

Fiber/Broadband Design and Implementation: HUB's fiber construction continues to make steady progress, with a total of 79.3 miles of mainline fiber installed to date. We are also in the process of finalizing our Direct Internet Access (DIA) connection with Highland Telephone Company, which is expected to be completed by September 29th.

On September 23rd and 24th, we hosted "Edge Enablement" training by Calix, attended by HUB staff as well as the "drop and installation" team from Spriggs Communications. This hands-on training covered our new customer premises equipment (CPE) and walked us through the whole installation process for residential service. As a result, we now have four active test customers, with plans to connect additional test customers in the coming weeks.

Interest in HUB Fiber continues to grow. Our marketing interest list has now surpassed 650 customers. We are currently identifying additional test customers from this list and initiating drop installations at those locations. This proactive approach will enable our "drop and installation" contractor, Spriggs, to gain a head start on connecting customers who are highly likely to subscribe to fiber service, thereby accelerating the transition from construction to activation.

We also announced and published an RFP for Voice over IP (VoIP) services. The original submission deadline of September 23rd was set to allow for review prior to this board meeting. However, based on vendor feedback that the timeline was too compressed, we have extended the deadline to Tuesday, October 10th, in an effort to attract a more competitive pool of bidders.

We continue to work closely with NISC to implement workflows for the setup, provisioning, and billing of fiber services. These efforts will ensure alignment between our field operations, customer service, and back-office systems to support a seamless experience for our broadband customers.

Our broadband marketing efforts are also ramping up. The marketing team has

initiated weekly strategy sessions with Calix to explore their Marketing Boot Camp offerings. These sessions introduce customizable campaigns and engagement strategies, focusing on value-added tools such as the CommandIQ App, ProtectIQ, and ExperienceIQ, which will be key features of the HUB Fiber service offering.

Electric Projects:

Line Crew Update / New Services & Maintenance: The line crew installed 17 new electric services this month, bringing the total to 116 for calendar year 2025. Notable jobs included connecting three-phase service to the new Oakdale Convenience Center, setting a new pole and transformer bank for the Pine Ridge Sewer Pump, and beginning the installation of approximately 2,100 feet of underground conductor for a new Oakdale customer. The crew also expects to connect the Rogers Group Sand Quarry next month, which is expected to be a high-usage customer for HUB.

Enbridge Gas Project: Pike Electric, HUB's contractor for the Enbridge Gas line project, is on track to complete their contract work by the end of September. Over the course of just over two months, they have set and changed out 98 poles. HUB staff were extremely pleased with both their performance and the quality of their work.

ROW Updates: ROW bucket crews have been active in the Blair Road area, supporting both the Enbridge Gas project with pole relocations and the fiber project with vegetation management. They also cut a new ROW for an 8-span tap needed by the line crew. As the season winds down, the herbicide crew is finishing the year by targeting kudzu poles with the remainder of their chemical supply.

Utility-Scale Solar Farm: SolAmerica expects to have an updated economic view of our project by early October. As that time, we expect they may want to revisit negotiations of our purchase power agreement (PPA).

TVA Electric Vehicle Fast Charger Network: In August 2025, 51 unique drivers utilized the charging station, resulting in a total of 215 sessions (up from 194 in July). As of September 24th, 30 unique drivers have used the charging station in September, resulting in a total of 122 sessions thus far. We are seeing a decrease in the number of unique drivers utilizing the site, but the total number of sessions has increased each month since its commissioning. It appears that things may be slowing down this month, possibly due to less consumer travel. Notably, the average energy usage for the site in July and August was only 6,470 kWh per month.

Gas Projects:

Gas Maintenance Work: Since our last meeting, Gas, Water & Sewer (GWS) crews responded to two gas leaks, both of which required service line repairs. Crews also bush-hogged gas line rights-of-way at Roddy Ln. and Pine Ridge Rd., and ran 1,100 feet of 4" poly gas main on Old Coalfield Rd. for a new gas line extension.

Water Projects:

Water Maintenance: GWS crews completed four new water taps. Crews also repaired eight water main leaks, as well as two water service leaks. In addition, four 2" water meters were changed, and repairs were made to the trencher and equipment trailer. September was also a busy month for pump station crews. The most notable accomplishment was the completion of a new roof on the Crab Orchard Pump Station — a long-standing item on our to-do list. Crews also began work to replace the very old and depleted control panel at the station.

Water Plant Updates: In September, several key maintenance items were completed at the Water Treatment Plant (WTP). On September 4th, we had a contractor on site to help us replace the motherboard in the SCADA control box after communications had been failing. On September 18th, staff pumped sludge and performed quarterly flushing of dead-end lines across Harriman. Additional work included replacing a SCADA modem, replacing a permanganate check valve, replacing and adjusting stuffing box bolts on the raw water intake pumps, and installing a new door handle at the raw water intake building.

2022 ARPA Water System Improvements: For the Wolfe Branch Waterline Replacement project, the contractor met with the RPR and HUB supervisors on September 25, 2025, to discuss the project start. Materials were expected to arrive by September 26th, and construction could begin as early as September 30, 2025. For the Wolfe Branch Pump Station Replacement project, no work was performed this past month. According to W&O, work is scheduled to resume in October. The project is currently 5% complete.

2023 Harriman Utility Board & Crab Orchard Utility District Water Systems Interconnection: A copy of an e-mail I sent to CPWA on September 23rd is included in your packet. Unfortunately, despite last-minute attempts by HUB to save the project, I cannot recommend we move forward with the construction of the interconnection due to CPWA's unwillingness to amend our contract to increase the minimum purchase volume and wholesale rate. This amendment was requested due to the increased depreciation costs that HUB would incur as a result of the project. HUB customers cannot subsidize the costs of delivering water to Cumberland County. I believe that Cumberland County's change in leadership from COUD to CPWA, combined with uncertainty in the economic outlook (e.g., Flat Rock), and a misunderstanding of the severity of the water supply challenges (e.g., the consequences of a severe drought), all contributed to CPWA's unwillingness to keep this project alive.

Sewer Projects:

Sewer Maintenance: GWS crews unstopped six sewer service lines this month. At the WWTP, crews fixed a sagging scum swiper arm on a clarifier, replaced the wear plate on #2 R.A.S. pump, and cleaned debris and rags from all R.A.S. pumps. At Ladd's Pump Station, crews cleared a suction pipe and replaced the rubber flapper valve on #2 pump.

Sewer Plant Update: Our Chief WWTP Operator reports that on September 12th we received our new Biosolids permit, which is valid through August 31, 2030. A digester was pressed this month, and results from the required DMRQA Study 45 are expected on September 26th. Overall, the plant is running normally for this time of year.

2022 ARPA Sewer System Improvements: No significant updates to report.

2022 ARC Pine Ridge Road Sewer Extension: The pump station has now been installed, and all sewer infrastructure is in place. Our contractor (Adam & Sons) is currently working on the retaining wall, which may be finished today. The electrical sub-contractor (Sunelco) is also on site. Remaining items to complete include electrical work, sewer line and manhole testing, pump station testing and startup, final grading, driveway installation, and fencing. The project is currently 99% complete.

Emergency Repairs of Sewer System: You may recall that during the July board meeting, I described some emergency sewer system repairs in relation to a major sinkhole near Devonia Street, which I had authorized Portland Utilities Construction Company (PUCC) to complete at an estimated cost of \$44,105. On September 4th, HUB, PUCC, and the City of Harriman held a coordination meeting regarding the sinkhole and sewer main repair project. This meeting was primarily to discuss the added complexity of the sewer repairs since the initial purchase order was authorized. Unfortunately, the repairs are now predicted to cost substantially more. Our sewer manhole was damaged during excavation, a manhole that really needed to be replaced anyway, but was not included in the original quote. HUB's GWS Manager Frankie Davis recommended multiple times that PUCC would have a difficult time repairing the sewer without replacing the manhole, but PUCC wanted to try anyway. Now that the manhole is damaged, it must be replaced. Therefore, at the conclusion of the September 4th meeting, HUB staff instructed the contractor to proceed with manhole replacement. Upon doing so, HUB staff requested an estimate of the added cost. HUB still has not received an updated price. PUCC has now installed a new manhole base and connected all main sewer lines, including the newly burst 6" sewer main. They plan to complete the installation of the new manhole by the end of September. PUCC is also collaborating with the City of Harriman to repair a storm drain that is currently hindering the project's completion.

Agenda Item G-1:

Surplus Inventory: Included in your packet is a list of unused vehicles/equipment that HUB staff believe are no longer needed. I recommend that the Board declare these items as surplus and authorize my staff to auction them off via GovDeals.com. GovDeals is an online marketplace for public surplus assets, allowing government agencies and public entities to sell surplus, confiscated, and other assets to the public through auctions.

Agenda Item G-2:

Broadband Department Budget F/Y 2025-26: Attached is a proposed Broadband Department Budget for F/Y 2025-26. This budget includes forecasts for Income, Balance Sheet, and Cash Flow. While it is consistent with the original broadband business plan, it has been updated to reflect actual contract prices and project timelines.

As the Board will recall, in June, you approved similar budget documents for HUB's electric, gas, water, and sewer departments. At that time, we explained that a broadband budget would follow once construction, material, and service contracts and timelines were a little better understood.

In early September, the State Comptroller's office required submission of a broadband budget as part of the City of Harriman's overall budget approval process. Without this, the Comptroller would not approve the City's budget, which in turn prevented the City from securing financing for an unrelated project. Initially, the City attempted to submit an explanation that the broadband costs were part of the electric budget, but the Comptroller's office required a separate broadband budget either way.

We worked closely with the City Treasurer and the Comptroller's office to complete this requirement, and the Comptroller has since approved the documents. Since this approval occurred before our standard Board action, I am now submitting the Broadband Department Budget to you for formal review and approval, ensuring that HUB's records remain complete and the Board's authority is fully reflected in this process.

I recommend that the Board approve the Broadband Department Budget for F/Y 2025-26.

Agenda Item G-3:

“Blue Advantage” by BlueCross BlueShield of Tennessee, Inc. (Blue Cross): We received a renewal offer for our Blue Advantage insurance plan. This plan is offered to HUB retirees and the spouses of HUB retirees who are enrolled in Medicare. Enclosed are the forms from Blue Cross explaining the changes in the rate and policy.

There was a 10% increase in premiums. The plan benefits will remain consistent, with one notable update: the Medicare Part D out-of-pocket maximum will increase from \$2,000 in 2025 to \$2,100 in 2026, in alignment with the Inflation Reduction Act (IRA). When questioned about the 10% increase in premiums, Blue Cross advised that this is driven primarily by the continued rise in medical claims costs.

We currently pay the following per person covered on Blue Advantage: \$144.60 by HUB and \$96.40 by participant for a total of \$241 per month. The new amounts will be as follows: \$159.06 by HUB and \$106.04 by the participant, for a total of \$265.10 per month.

I recommend that the Board approve the renewal of our “Blue Advantage” plan by BlueCross BlueShield of Tennessee, Inc.

Agenda Item H:

TVA Total Monthly Fuel Cost: Enclosed is information from TVA regarding the Total Monthly Fuel Cost (TMFC) adjustment for October.

The TMFC for Standard Service customers in October will be 1.995 cents per kilowatt-hour, a decrease from September's rate of 2.257 cents per kilowatt-hour. The TMFC for Large General Service customers will be 1.919 cents per kilowatt-hour, down from September's 2.132 cents per kilowatt-hour. Similarly, the TMFC for Large Manufacturing Service customers will be 1.902 cents per kilowatt-hour, a decrease from September's rate of 2.073 cents per kilowatt-hour.

TVA reports that October's forecast includes higher expectations for nuclear generation and lower commodity prices. As a result, the October 2025 TMFC rates are approximately 17% below the three-year average for October.

Manager's Activity Report: On September 1st, I volunteered at "Hooray for Harriman", where I was happy to speak with many citizens and visitors about HUB and the utility business in general. On September 2nd, I attended the Harriman City Council meeting, where I provided updates on ongoing projects. On September 22nd, I attended a retirement party at TVA in recognition of Robbie Ansary for 35 years of service. Robbie acted as Customer Relations Manager for HUB and other LPCs in the northeast region for many years. You might have met him a time or two. For a couple of years, he even volunteered alongside our team at Harriman Trunk or Treat.

Electric Reliability Statistics: The HUB Electric Reliability Statistics for August 2025 are enclosed.

Monthly Financial Reports: Financial reports for June, July, and August 2025 are not included in this packet due to being on hold for year-end closing.

Important Dates:

- ❖ **Tuesday, October 14th** – TN811 PIPE Safety Mtg.
- ❖ **Monday, October 27th** – HUB Board Meeting at 5:30 PM
- ❖ **Tuesday, October 28th** – Harriman Trunk or Treat
- ❖ **Tuesday, November 11th** – HUB Thanksgiving Lunch at 11:30 AM
- ❖ **Monday, November 24th** - HUB Board Meeting at 5:30 PM
- ❖ **November 27th to 28th** – HUB Closed for Thanksgiving
- ❖ **Thursday, December 18th** – HUB Christmas Lunch at 11:30 AM
- ❖ **Tuesday, December 23rd** – HUB Christmas Breakfast at 7:00 AM

- ❖ **December 24th and 25th** – HUB Closed for Christmas
- ❖ **Monday, December 29th** – HUB Board Meeting at 5:30 PM
- ❖ **Thursday, January 1st** – HUB Closed for New Year's Day Holiday
- ❖ **Monday, January 19, 2026** – HUB Closed for Martin Luther King Jr. Day Holiday
- ❖ **Monday, January 26th** – HUB Board Meeting at 5:30 PM