

HARRIMAN UTILITY BOARD
AGENDA
Monday, April 28, 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. Discussion and possible action to accept a proposal by Telephone Switching International, LLC for Engineering, Furnishing, and Installation (EF&I) related to HUB's fiber/broadband project.
- 2. Discussion and possible action to accept a proposal by KGPCo for electronics and software licensing related to HUB's fiber/broadband project.
- 3. Discussion and possible action to approve a Change Order to the construction contract with Adams & Sons, Inc. for the ARC Pine Ridge Rd Sewer Extension project to cover work needed for the fiber/broadband project.
- 4. Board Members' consideration of Executive Session Content.

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 – May 2025
Electric Reliability Statistics – March 2025
Monthly Financial Reports – March 2025

J. Adjournment

Agenda Item F-1:

Administrative/Multi-Department Projects:

HUB Organizational Chart Updates: HUB currently has 78 full-time and five part-time employees (not including Board members). We have two (2) retirements scheduled for this summer and are working with our Electric Department Superintendent on a plan to ensure continuity of operations due to those departures. We have also posted internally to fill a new fiber/broadband department position. We are additionally working with our consulting firm, EnTrust, to hire a Network Technician through their firm. The intention would be to bring this individual on full-time with HUB later.

Fiber/Broadband Design and Implementation: HUB Staff continue to work diligently on designing and deploying our new Fiber/Broadband system. This month, we scheduled a construction start date for One Call Communications, LLC (fiber installer) and Irby Utilities (fiber materials and warehousing vendor). Both vendors will base operations out of the old Ford dealership in Downtown Harriman. We continue to meet at least weekly to maintain a steady pace for this project. Our staff is working to update our business plan to include some of the enhanced customer offerings we hope to incorporate with the Calix technology. Also, this month, we published and opened bids for two (2) additional RFPs. Recommendations for award are included under New Business, as is a change order for our Pine Ridge Rd Extension project, which would accomplish site development work for our “Midtown” fiber hut.

Infrastructure Planning Grant (IPG): No updates.

Updates to Rules & Regulations: Our staff is still working on this item and hopes to present updates in the coming weeks.

Electric Projects:

Line Crew Update / New Services & Maintenance: The line crew installed 11 new electric services this month, bringing our total to 41 for the calendar year 2025 thus far. The line crew also completed a new 3-phase highway crossing for the new Dollar General on Bitter Creek Hwy. The meter is active, and we expect the business to open by the first of May.

Make-Ready Work for Fiber/Broadband: The line crew has completed the fifth packet of make-ready work from the fielder crews that have been designing our fiber project. The line crew also constructed a mockup pole design for the fiber contractor.

ROW Updates: ROW bucket crews have been continuing to work in multiple areas of the system, including South Harriman and West Hills. They also climbed and removed another large tree that threatened our 69 kV line in the same area as the one that caused the outage on April 7th. These were both in an off-road easement in West

Hills and well outside the ROW. Our mowing crew finished work in the Camp Austin area of Oakdale and has now transferred to the Pine Orchard/White Oak area.

Utility-Scale Solar Farm: As you may recall from last month, the HUB Board approved a purchase power agreement (PPA) with Roane County TN S1, LLC (c/o SolAmerica Energy, LLC). We have been waiting for them to send us a signed PPA. Unfortunately, there seems to now be some hesitation on their end. Upon requesting an update, I received an email from SolAmerica on April 22nd saying they did not get approval during their transaction review committee meeting due to increased tariff risk. This led to additional questions by the committee regarding the specifics of the PPA. Our contact at SolAmerica ensures they are working through all the questions internally and hopes to have a response by next week.

TVA Electric Vehicle Fast Charger Network: In March 2025, 29 unique drivers utilized the charging station, resulting in a total of 104 sessions. As of April 23rd, 24 unique drives had utilized the charging station in April, resulting in a total of 102 sessions.

TVA Support Pilot for Voltage Optimization: No updates to report.

Gas Projects:

Gas Maintenance Work: Since our last meeting, GWS crews have repaired four (4) gas service line leaks and decommissioned six (6) gas services.

System-Wide Gas Losses/Metering Issue: Covered in the Board Workshop before today's meeting.

Water Projects:

Water Maintenance: Since our last meeting, the GWS crews have repaired four (4) mainline water leaks and two (2) service line water leaks. They also installed three (3) new water taps. Lastly, crews replumbed the suction piping at Catoosa Ridge #2 pumping station due to corrosion.

Water Plant Updates: No significant updates to report.

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

2023 Harriman Utility Board & Crab Orchard Utility District Water Systems Interconnection: Our engineer has sent design plans and specifications to TDEC for review. Our staff have been working to procure easements for the projects.

Sewer Projects:

Sewer Maintenance: Since the last meeting, GWS crews have performed minor maintenance at the WWTP and at the Hardee's, Webb's, and McDonald's lift stations.

Sewer Plant Update: No significant updates to report.

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

2022 ARC Pine Ridge Road Sewer Extension: The sewer lift station is still on order. I have included a Change Order for this project under New Business that will accommodate the fiber/broadband project but delay final completion of the sewer project until the end of August 2025 (62 days additional time). We believe the sewer lift station will be in service well before the new Quick Trip is complete.

Agenda Item G-1:

EF&I Proposal by Telephone Switching International, Inc.: HUB opened sealed bids on April 17, 2025, at 10:00 a.m. for Engineering, Furnishing, and Installation (EF&I) of one office facility and two telecom huts to support the new fiber network infrastructure. As you may recall, the two telecom huts were approved by this board on April 7th and have since been ordered. EF&I encompasses design (engineering services for the power plant and rack layout equipment), providing the necessary equipment (racking and hardware as well as DC power plant and batteries), and installing the fiber optic network within the empty hut. We solicited separate bids for huts, electronics, and EF&I to allow for more competition. Some vendors can bid on multiple RFPs, while others cannot. Enclosed in your packet is a bid tabulation showing that two bids were received for EF&I. A third bid was received but was not in a sealed envelope and therefore was disqualified. While Cell Site Solutions is where we have ordered our refurbished huts, their bid for EF&I was not fully complete. They failed to include pricing for the full scope of work, making their overall bid higher than the other.

I recommend that the Board approve Telephone Switching International, Inc.'s enclosed proposal for EF&I for an estimated cost of \$205,975.

Agenda Item G-2:

Electronics and Software Licensing Proposal by KGPCo: HUB opened sealed bids on April 17, 2025, at 10:30 a.m. for electronics and software licensing to outfit one office facility and two telecom huts. The bid form was divided into five categories: Arista, Networking, Dell, AMC, and IP. Bidders could submit proposals on one or more of the categories. These proposals are material/software only. The EF&I vendor (discussed earlier in New Business) will perform the labor to install these components. Enclosed in your packet is a bid tabulation showing that only two bids were received. A third bid was received but was not in a sealed envelope and therefore was disqualified. KGPCo submitted a bid for only the first four categories, leaving off IP. HUB later decided to solicited bids for IP separately. KGPCo was also unable to bid on a portion of the Networking tab; therefore, we are going to re-bid that piece of the work. An exception to this is the VMware which we plan to source direct. AMC bid only on the AMC category, but at a lower price than KGPCo.

I recommend that the Board approve KGPCo's proposal for Arista, Networking, and Dell for \$521,707.67. I also recommend that the Board approve AMC's proposal for the AMC portion of the RFP for \$32,163.00.

Agenda Item G-3:

Change Order to Adams & Sons, Inc.'s ARC Pine Ridge Rd Sewer Extension to Accommodate Fiber Hut Site Preparation: Early on in our fiber/broadband project design, our team identified a need to install a fiber hut in the Midtown area. After considering a few options, the site that made the most sense to us was where we are installing a sewer lift station on the property that the City of Harriman recently procured. Because this site is already under contract to develop for a sewer lift station, we asked the same contractor to provide a change order quote to level off additional space to fit our new fiber hut. This would include additional excavation into the hillside and extending the proposed retaining wall. It would also include additional fencing and room for parking. We also asked the Contractor to upgrade the fence to a black coated galvanized chain link as opposed to what was initially proposed in the contract. Please note that adding the fiber hut did cause a design change for the sewer portion of the work, which will require a short section of the newly installed sewer force main to be relocated. Lastly, we will likely need to increase the easement with the City of Harriman to accommodate the added space. We believe the inconvenience will be worth it to have our new fiber hut located strategically near the interstate and in a location where we already have a TDOT permit to access. After a long negotiation, we received the enclosed Change Order proposal for the added work.

I recommend the Board approve the enclosed Change Order to our construction contract with Adams & Sons, Inc. for the ARC Pine Ridge Rd Sewer Extension, for \$138,220. This would be paid for out of the fiber/broadband budget (outside of the ARC-funded portion of the work).

Agenda Item G-4:

Board Members' Consideration of Executive Session Content: The Board Members met in Executive Session on April 7th. This item is in response to that meeting.

Agenda Item H:

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

The TMFC for Standard Service in May will be 2.560 cents per kilowatt hour, a decrease from April's cost of 2.926 cents per kilowatt hour. The TMFC for Large General Service customers will be 2.289 cents per kilowatt hour, a decrease from April's cost of 2.433 cents per kilowatt hour. Furthermore, the TMFC for Large Manufacturing customers will be 2.298 cents per kilowatt hour, a decrease from April's cost of 2.414 cents per kilowatt hour.

TVA reports that fuel expenses were \$15 million higher than anticipated due to nuclear outages and lower-than-expected hydro generation. As a result, the May TMFC rate was 17% higher than the average for May over the past three years.

Manager's Activity Report: On April 9th, HUB staff hosted a preliminary project kick-off meeting with our fiber consultant EnTrust, our fiber installer One Call Communications, and our fiber materials/warehousing vendor Irby Utilities. We signed contracts and established a construction start date of June 2nd. The new CEO of TVA hosted an all-customer virtual meeting on his first day on the job, April 9th. On April 10th, I attended the last Valley Public Power Leadership Academy (VPPLA) meeting in Chattanooga, where we heard from TVA leadership on power generation and system operations. There was good discussion on TVA's perspective of the Clinch River SMR site in Oak Ridge and changes that the Trump administration is making that will affect TVA's planning process. Otherwise, much of my time this month has been spent on the fiber/broadband project and gas metering issue.

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

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Important Dates:

- ❖ **Friday, April 18th** – HUB Closed for Good Friday
- ❖ **Monday, April 28th** – HUB Board Meeting at 5:30 PM
- ❖ **Monday, May 26th** – HUB Closed for Memorial Day Holiday
- ❖ **Friday, May 23rd** – HUB Board Meeting at 10:30 AM
- ❖ **Monday, June 30th** – HUB Board Meeting at 5:30 PM
- ❖ **Friday, July 4th** – HUB Closed for Independence Day
- ❖ **Monday, July 28th** – HUB Board Meeting at 5:30 PM