TEXAS MUNICIPAL POWER AGENCY

BOARD OF DIRECTORS MEETING MINUTES

CAMBRIA HOTEL RICHARDSON
3605 SHIRE BLVD.
RICHARDSON, TEXAS

THURSDAY, December 10, 2020
9:30 AM

President Harting called the meeting to order at 9:32 AM.

The following people were present at the meeting.

Board Members:

Kean Register – City of Bryan
James Ratliff and Tom Jefferies – City of Garland
Sue Ann Harting and Summer Spurlock – City of Greenville
Bill Cheek – City of Denton
Buppy Simank and Chris Watts - Absent

Staff:

Bob Kahn, Craig York, Lyndi Birkhead, and Tracy Stracener

Others:

Carl Shahady – Tiemann, Shahady & Hamala, P.C.
Gary Miller, Will Smith and Doug Lyles – BTU
Terry Naulty and Antonio Puente – Denton Municipal Electric
Jeff Janke and Tom Hancock – Garland Power & Light
Alicia Hooks and Cliff Copeland – GEUS
Al Axe
Robert McCormick
Brook Brown

Public Comments:

Ms. Harting asked for comments, there were none.

1. **Committee reports:**

   - **Audit and Budget Committee report relating to the results of the December 10, 2020 Committee meeting.**

     - Mr. Ratliff reported that the Audit and Budget Committee held a meeting on December 10, 2020 and in addition to routine business:

- Reviewed the Agency's Financial Statements and an update on the Annual Audit Plan.
- Received reports on the City of Garland transmission expense billing audit and the Annual Ethics Program update.
- Discussed the amendments to the Fiscal Year 2021 Generation Budget, Mine Budget, and Transmission Budget.

2. Consent Agenda Items:

A. Consider approval of meeting minutes of the September 10, 2020 and November 12, 2020 Board of Directors meeting.

Mr. Jefferies moved, seconded by Mr. Ratliff, approval of all consent agenda items.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

3. Planning & Operating Committee report relating to results of the Planning & Operating Committee meeting of December 9, 2020.

An update was provided by Mrs. Hooks.

4. Executive Session.

Ms. Harting announced that the Board would convene in executive session pursuant to Sections 551.071, 551.072, and 551.086 of the Government Code.

The open session was recessed, and the executive session was called to order by Ms. Harting at 9:41 AM.

The open session resumed at approximately 10:15 AM.

5. Resolution No. 2020-12-8, authorizing the sale of the Gibbons Creek Steam Electric Station; describing the conditions and circumstances for the sale, and the public purposes that will be achieved; and resolving matters incidental and related thereto.

Mr. Jefferies moved, seconded by Mr. Register, approval of resolution no. 2020-12-8.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

6. Status report relating to mine reclamation and land matters.

An update was provided by Mr. Kahn.

7. Resolution no. 2020-12-1, relating to the authorization and issuance of Texas Municipal Power Agency Mine Reclamation Notes, taxable series; providing the terms, conditions, and specifications for such notes; providing for the notes to be issued in one or more series; authorizing the execution of one or more note purchase agreements for the notes; declaring such notes to constitute mine reclamation bonds of the agency; providing for the notes to evidence the payment obligations of the agency with respect to one or more letters of credit to be delivered to the Texas Railroad Commission on behalf of the agency by Wells Fargo Bank, National Association, pledging certain revenues of the agency in payment of such obligations and interest thereon; approving the form, and authorizing the execution and delivery, of a paying agent/registrar agreement and other documents and agreements as required by and associated with such notes; approving and authorizing certain authorized officers and employees to act on behalf of the agency in delivering such notes within the limitations and procedures specified herein, and resolving other matters incident and related thereto.

Mr. Cheek moved, seconded by Mr. Jefferies, approval of resolution no. 2020-12-1.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

8. Status report relating to Power Production environmental and regulatory compliance matters.

An update was provided by Mr. York.

9. Status report relating to the Decommissioning Plan.

An update was provided by Mr. York.

10. FY20 Year-end Budget Status Report.

An update was provided by Mrs. Birkhead.

11. Resolution No. 2020-12-2, approving the annual proportional share calculation of Member City ownership interests in Agency assets; and resolving matters incidental and related thereto.

Mr. Ratliff moved, seconded by Mr. Jefferies, approval of resolution no. 2020-12-2.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye

Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

12. **<u>Resolution No. 2020-12-3, receiving the audited financial statements of the Agency for the fiscal year ended September 30, 2020; and resolving matters incidental and related thereto.</u>**

Mr. Ratliff moved, seconded by Mr. Cheek, approval of resolution no. 2020-12-3.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

13. **<u>Resolution No. 2020-12-4, authorizing a refund of transmission revenues to the Member Cities; and resolving matters incidental and related thereto.</u>**

Mr. Jefferies moved, seconded by Mr. Cheek, approval of resolution no. 2020-12-4.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

14. **<u>Status report relating to the TMPA transmission operations and five-year transmission capital project plan.</u>**

An update was provided by Mr. Hancock.

15. **<u>Resolution No. 2020-12-5, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Denton West to Jim Christal Transmission Line Pole Replacement Project; and resolving matters incidental and related thereto.</u>**

Mr. Ratliff moved, seconded by Mr. Jefferies, approval of resolution no. 2020-12-5.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

16. <u>Resolution No. 2020-12-6, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Shelby to Nevada Transmission Line Tower Replacement Project; and resolving matters incidental and related thereto.</u>

Mr. Cheek moved, seconded by Mr. Register, approval of resolution no. 2020-12-6.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

17. <u>Resolution No. 2020-12-7, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Ben Davis to Royse Transmission Line Tower Replacement Project; and resolving matters incidental and related thereto.</u>

Mr. Ratliff moved, seconded by Mr. Jefferies, approval of resolution no. 2020-12-7.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

18. <u>Executive Session.</u>

Ms. Harting announced that the Board would convene in executive session pursuant to Sections 551.071, 551.072, 551.074, and 551.086 of the Government Code.

The open session was recessed, and the executive session was called to order by Ms. Harting at 10:38 AM.

The open session resumed at approximately 11:10 AM.

19. Resolution No. 2020-12-9, amending the annual budget for the generation business for the Fiscal Year October 1, 2020 through September 30, 2021 (the "FY21 Generation Budget") for the purpose of appropriating funds in connection with the sale of the Gibbons Creek Steam Electric Station, including for the establishment of an environmental escrow account; amending the charges associated with the FY21 Generation Budget (the "FY21 Generation Budget Charges"); and resolving matters incidental and related thereto.

Mr. Jefferies moved, seconded by Mr. Ratliff, approval of resolution no. 2020-12-7.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye

Harting – Aye	Watts – Absent

20. Resolution No. 2020-12-10, amending the fiscal year 2021 budget for the Mine Business; appropriating funds therefore; providing for said budget administration; providing for severability; and resolving matters incidental and related thereto.

Resolution No. 2020-12-11, amending charges for the Mine Business; designating an effective date for the charges; authorizing and directing that written notice be mailed to the Member Cities setting forth the charges; and resolving matters incidental and related thereto.

Resolution No. 2020-12-12, amending the fiscal year 2021 budget for the Transmission Business; appropriating funds therefore; providing for said budget administration; providing for severability; and resolving matters incidental and related thereto.

Mr. Ratliff moved, seconded by Mr. Register, approval of resolution nos. 2020-12-10, 2020-12-11, and 2020-12-12.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

21. General Manager Annual Performance Review

Mr. Register moved, seconded by Mr. Ratliff, to extend the General Manager's contract in accordance with the discussion in executive session.

Motion carried; voting as follows:

Cheek – Aye	Jefferies – Aye
Simank – Absent	Ratliff – Aye
Spurlock - Aye	Register – Aye
Harting – Aye	Watts – Absent

22. Future meeting dates and subjects.

By general consensus of the Board, the next Board meeting is tentatively set for February 11, 2021.

23. Adjourn.

By general consensus of the Board, the meeting adjourned at approximately 11:13 AM.

Tracy Stracener
Assistant Secretary
TMPA Board of Directors