TEXAS MUNICIPAL POWER AGENCY

BOARD OF DIRECTORS MEETING

Hilton Garden Inn
3081 University Drive East
Bryan, Texas

THURSDAY, September 9, 2021
9:30 AM

Preliminary matters:

- Call to order
- Public comments

The following matters are scheduled for discussion and for possible action:

1. Resolution No. 2021-9-1, acknowledging the contributions of Chris Watts to the Agency; expressing the Agency's appreciation for 12 years of dedicated service; and expressing the hopes of the Agency for an enjoyable and fruitful future.

2. Consent Agenda Items:

   A. Consider approval of meeting minutes of the June 10, 2021 and July 15, 2021 Board of Directors meetings.

3. Planning & Operating Committee report relating to results of the Planning & Operating Committee meeting of September 8, 2021.

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

5. Status report relating to environmental and regulatory compliance matters.

6. FY21 Third Quarter Budget Status Report.

7. Resolution No. 2021-9-2, declaring that the purposes of the Decommissioning Reserve Account have been accomplished and therefore approving a reduction of the required balance of the Decommissioning Reserve Account; and resolving matters incidental and related thereto.

8. Status report relating to the TMPA transmission operations and five-year transmission capital project plan.

9. Resolution No. 2021-9-3, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Phase Two Gibbons Creek Decommission Transmission Project; and resolving matters incidental and related thereto.

10. Resolution No. 2021-9-4, amending the FY2022 Annual Transmission System Capital Budget by appropriating funds for the Shelby to Nevada New Line and Station Project; and resolving matters incidental and related thereto.

11. Executive session will be held pursuant to the Open Meetings Act (Chapter 551, Government Code) for the following items:

    A. General Manager Annual Performance Review and General Manager Agreement (personnel matter under Section 551.074, Government Code).

    B. Status report relating to the sale of the Gibbons Creek Lignite Mine (value of real property under Section 551.072, Government Code, and legal advice under Section 551.071, Government Code).

In the Board's discretion, the Board may discuss and/or take action on one or more of the above executive session items in open meeting. In regard to items scheduled on this agenda for discussion and/or action in the open portion of the meeting, the Board may, in its discretion, address one or more of such items in executive session if and to the extent permitted by the Texas Open Meetings Act.

12. Election of Officers (President, Vice President, and Secretary) and approval of appointments to standing committees (Audit & Budget Committee and Personnel Committee) in accordance with Agency Rules & Regulations.

13. Future Meeting Dates.

14. Adjourn.

September 9, 2021

AGENDA ITEM NO. 1

SUBJECT: Resolution No. 2021-9-1, acknowledging the contributions of Chris Watts to the Agency; expressing the Agency's appreciation for 12 years of dedicated service; and expressing the hopes of the Agency for an enjoyable and fruitful future.

DISCUSSION: Chris Watts has served on the TMPA Board since 2009. This Resolution honors Chris's service to the Agency and conveys the Agency's hopes that he will experience an enjoyable and fruitful future.

ACTION REQUESTED: Consideration and action on Resolution No. 2021-9-1.

RESOLUTION NO. 2021-9-1

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY ("AGENCY") ACKNOWLEDGING THE CONTRIBUTIONS OF CHRIS WATTS TO THE AGENCY; EXPRESSING THE AGENCY'S APPRECIATION FOR 12 YEARS OF DEDICATED SERVICE; AND EXPRESSING THE HOPES OF THE AGENCY FOR AN ENJOYABLE AND FRUITFUL FUTURE.

WHEREAS, Chris Watts came to the Agency in 2009 as the City of Dentons's representative on the Board of Directors;

WHEREAS, as a member of the Board of Directors for 12 years, Chris Watts has given the Board of Directors, Planning and Operating Committee and Staff sincere, honest, and wise advice in regard to all aspects of Agency operations;

WHEREAS, the Agency has been fortunate to have received the valuable service of Chris Watts throughout his tenure on the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY:

1. That the above recitals are true and correct;

2. That the Agency gives its sincerest thanks and appreciation to Chris Watts for his valuable service on the Board of Directors;

3. That the Agency conveys its best wishes to Chris Watts and for his future;

4. That the General Manager of the Agency is instructed to deliver an original copy of this Resolution to Chris Watts;

5. That it is officially found and determined that notice of this meeting of the Board of Directors of the Texas Municipal Power Agency was given as required by law.

PASSED AND APPROVED THIS 9TH DAY OF SEPTEMBER 2021.

____
Sue Ann Harting, President
Board of Directors
Texas Municipal Power Agency

ATTEST: ______________________________
Buppy Simank, Secretary
Board of Directors
Texas Municipal Power Agency

September 9, 2021

AGENDA ITEM NO. 2

SUBJECT: Consent Agenda Items

DISCUSSION: These items, since they deal with routine business, have been grouped together as consent items so that they can be approved with a single vote of the Board.

If a Board Member desires to discuss any of these items, the Board Member may so request at the meeting, and the matter will be discussed and voted on separately from the remaining consent items.

It is expected that the use of a consent agenda will streamline the decision-making process and allow the Board time to focus on more important items.

BACKUP MATERIAL:

Consent Agenda Item(s):

A. Consider approval of meeting minutes of the June 10, 2021 and July 15, 2021 Board of Directors meetings.

ACTION REQUESTED: Consideration and action on the Consent Agenda Item(s).

TEXAS MUNICIPAL POWER AGENCY

BOARD OF DIRECTORS MEETING MINUTES

CAMBRIA HOTEL RICHARDSON
3605 SHIRE BLVD.
RICHARDSON, TEXAS

THURSDAY, June 10, 2021
9:30 AM

President Harting called the meeting to order at 9:31 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 and Chris Watts – City of Denton
Buppy Simank - Absent

Staff:

Bob Kahn, Jan Horbaczewski, Daniel Meadows, Lyndi Birkhead, and Tracy Stracener

Others:

Carl Shahady – Tiemann, Shahady & Hamala, P.C.
Gary Miller and Will Smith – BTU
Terry Naulty, Mark Zimmerer, and Antonio Puente – Denton Municipal Electric
Jeff Janke, Tom Hancock, Darrell Cline, and Steve Martin – Garland Power & Light
Alicia Hooks and Erica Contreras – GEUS
Tim Walton
Jeff Boswell
Steven Adams

Public Comments:

Ms. Harting asked for comments, there were none.

1. **Committee reports:**

   - **Audit and Budget Committee report relating to the results of the May 3, 2021 Committee meeting.**

     - Mr. Watts reported that the Audit and Budget Committee held a meeting on May 3, 2021 and in addition to routine business:

- Reviewed the Agency's proposed FY22 Budget Package.
- Reviewed new accounting standards and their impact on the Agency.
- Considered approval of the engagement letters with BKD, LLP for FY21.
- Discussed proposed financing plans relating to the Transmission System.

2. Consent Agenda Items:

A. Consider approval of meeting minutes of the February 11, 2021 and March 26, 2021 Board of Directors meeting.

Mr. Jefferies moved, seconded by Mr. Cheek, 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 – Aye

3. Planning & Operating Committee report relating to results of the Planning & Operating Committee meeting of June 10, 2021.

An update was provided by Mrs. Hooks.

4. Resolution No. 2021-06-9, by the Board of Directors of the Texas Municipal Power Agency relating to the authorization and issuance of Texas Municipal Power Agency Transmission System Revenue Refunding Bonds; providing the terms, conditions, and specifications for such Bonds; confirming the establishment of the Agency's transmission revenue financing program; declaring such Bonds to constitute Transmission Debt of the Agency; pledging certain revenues of the Agency in payment of such obligations and interest thereon; and resolving other matters incident and related thereto.

Mr. Ratliff moved, seconded by Mr. Watts, approval of resolution no. 2021-6-9.

Motion carried; voting as follows:

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

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

An update was provided by Mr. Horbaczewski.

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

An update was provided by Mr. Meadows.

7. FY21 Second Quarter Budget Status Report.

An update was provided by Mrs. Birkhead.

8. FY22 Annual Budgets, including FY22 Budget Package

- **Resolution No. 2021-6-1, adopting a Generation budget for FY22**
- **Resolution No. 2021-6-2, adopting a Mine budget for FY22**
- **Resolution No. 2021-6-3, adopting a Transmission budget for FY22**

Mr. Cheek moved, seconded by Mr. Jefferies, approval of resolution nos. 2021-6-1, 2021-6-2, and 2021-6-3.

Motion carried; voting as follows:

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

9. FY22 Rates and Charges

- **Resolution No. 2021-6-4, establishing Generation charges for FY22**
- **Resolution No. 2021-6-5, establishing Mine charges for FY22**

Mr. Jefferies moved, seconded by Mr. Ratliff, approval of resolution no. 2021-6-4 and 2021-6-5.

Motion carried; voting as follows:

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

10. Resolution No. 2021-6-6, adopting and approving an Annual Transmission System Capital Budget for the Agency for the Fiscal Year October 1, 2021 through September 30, 2022; and resolving matters incidental and related thereto.

Mr. Jefferies moved, seconded by Mr. Cheek, approval of resolution no. 2021-6-6.

Motion carried; voting as follows:

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

11. Status report relating to the TMPA transmission operations and five-year transmission capital project plan.

An update was provided by Mr. Martin.

12. Resolution No. 2021-6-7, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Masch Branch to Denton North Transmission Line Reroute Project; and resolving matters incidental and related thereto.

Mr. Ratliff moved, seconded by Mr. Watts, approval of resolution no. 2021-6-7.

Motion carried; voting as follows:

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

13. Resolution No. 2021-6-8, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Pruitt 138 kV Terminal Addition Project; and resolving matters incidental and related thereto.

Mr. Jefferies moved, seconded by Mr. Cheek, approval of resolution no. 2021-6-8.

Motion carried; voting as follows:

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

14. Executive Session.

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

The open session was recessed, and the executive session was called to order by Ms. Harting at 10:03 AM.

The open session resumed at approximately 10:22 AM.

15. Executive Session.

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

The open session was recessed, and the executive session was called to order by Ms. Harting at 10:23 AM.

The open session resumed at approximately 10:37 AM.

16. <u>Resolution No. 2021-6-10, authorizing the renewal of the lease for office space for the principal office of the Agency in the City of Bryan, Texas; and resolving matters incidental and related thereto.</u>

Mr. Jefferies moved, seconded by Mr. Cheek, approval of resolution no. 2021-6-10.

Motion carried; voting as follows:

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

17. <u>Future meeting dates and subjects.</u>

By general consensus of the Board, the next Board meeting is tentatively set for September 9, 2021 in Bryan. A special meeting may be called in July, date pending, and be held in Richardson.

18. <u>Adjourn.</u>

By general consensus of the Board, the meeting adjourned at approximately 10:40 AM.

Tracy Stracener
Assistant Secretary
TMPA Board of Directors

TEXAS MUNICIPAL POWER AGENCY

BOARD OF DIRECTORS MEETING MINUTES

CAMBRIA HOTEL RICHARDSON
3605 SHIRE BLVD.
RICHARDSON, TEXAS

THURSDAY, July 15, 2021
9:30 AM

President Harting called the meeting to order at 9:30 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, Jan Horbaczewski, and Tracy Stracener

Others:

Carl Shahady – Tiemann, Shahady & Hamala, P.C.
Mike Wren – Michael A. Wren, Attorney at Law
Gary Miller and Will Smith – BTU
Terry Naulty – Denton Municipal Electric
Darrell Cline – Garland Power & Light
Alicia Hooks – GEUS
Jeff Boswell - Republic Ranches, LLC

Public Comments:

Ms. Harting asked for comments, there were none.

1. Executive Session.

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

The open session was recessed, and the executive session was called to order by Ms. Harting at 9:30 AM.

The open session resumed at approximately 10:10 AM.

2. Resolution No. 2021-7-1, approving a secondary employment of the General Manager; and resolving matters incidental and related thereto.

Mr. Register moved, seconded by Mr. Ratliff, approval of resolution no. 2021-7-1.

Motion carried; voting as follows:

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

3. Resolution No. 2021-7-2, authorizing the sale of the Gibbons Creek Lignite Mine; 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. Cheek, approval of resolution no. 2021-7-2.

Motion carried; voting as follows:

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

4. Future meeting dates and subjects.

By general consensus of the Board, the next Board meeting is tentatively set for September 9, 2021 in Bryan.

18. Adjourn.

By general consensus of the Board, the meeting adjourned at approximately 10:11 AM.

Tracy Stracener
Assistant Secretary
TMPA Board of Directors

September 9, 2021

AGENDA ITEM NO. 3

SUBJECT: Planning & Operating Committee report relating to results of the Planning & Operating Committee meeting of September 8, 2021.

DISCUSSION: The P&O Committee Chair will present major discussion topics and action items taken at the September 8, 2021 P&O Committee meeting.

BACKUP MATERIAL: None.

ACTION REQUESTED: Discussion.

September 9, 2021

AGENDA ITEM NO. 4

SUBJECT: Status report relating to mine reclamation and land matters.

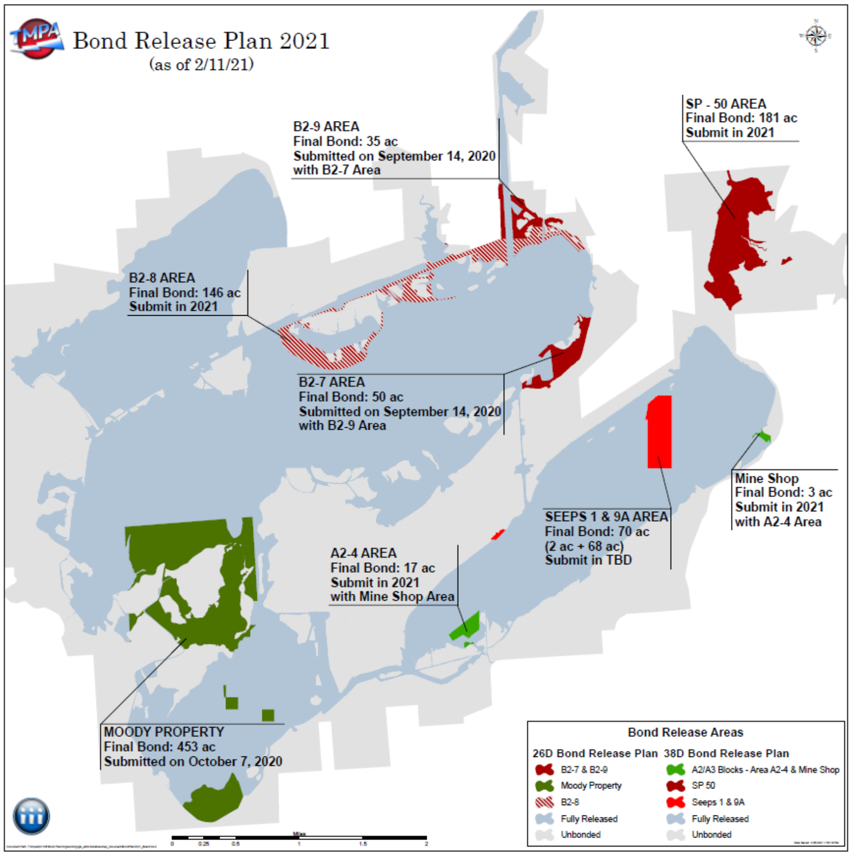
DISCUSSION:

The status of bond release is summarized in Table 1 and depicted in Figure 1. Items shown in blue font in the table have been completed: items in green were submitted in 2020 and are in review at the Railroad Commission; items in red remain to be submitted.

Table 1 – Plan and Status of Final Bond Release on all mine properties, whether owned by TMPA or third parties (as of 08/25/21)

Packet(s)	Area (acres)	Owned by TMPA (acres)	Owned by 3rd parties (acres)	Status
26D – Mine shop facilities	71	0	71	Released 2000
26D – Gas well pads and roads	98	74	24	Released 2001-2006
26D – A1 Block	904	343	561	Released 01/15/13
38D – Rev. 14 (map adjustments)	295	257	38	Approved 07/31/13
26D – Rev. 21 (map adjustments)	254	212	42	Approved 12/8/14
26D – Falco + Ciesielski property	111	0	111	Released 08/25/15
38D – Rail spur (Permit 38D part)	55	55	0	Released 10/20/15
38D – Rev. 35 (map adjustments)	111	82	29	Approved 02/7/17
26D – Rev. 40 (map adjustments)	3	3	0	Approved 02/23/18
26D – Kolbachinski property	7	0	7	Released 02/27/18
26D – Rail spur (Permit 26D part)	131	131	0	Released 06/5/18
38D – A2/A3 Blocks (core area)	971	957	14	Approved 06/18/19
26D – "Big" application	4,293	4,045	248	Released 01/14/20
38D – A2/A3 Blocks (Peripheral Area), including Phases I and II release of Pond SP-50 area	554	544	10	Released 01/26/21
Total Released	**7,858 ac (89% of total)**	**6,703 ac (93% of TMPA land)**	**1,155 ac (72% of 3rd parties' land)**	
26D – Area B2-7 + B2-9	**85**	**85**	**0**	**Submitted 09/14/20**
26D – Moody property	**453**	**0**	**453**	**Submitted 10/7/20**
26D – Area B2-8	146	146	0	Submit Summer 2021
38D – A2/A3 Blocks (201 ac) – Area A2-4 (17 ac) + Mine Shop (3 ac) + Pond SP-50 (181 ac)	201	201	0	Submit Summer 2021
38D – Seep buffer areas	48	48	0	Submit Spring 2022
38D – Seeps 1 and 9A	22	22	0	Submit – TBD
Sub-Total (to be released)	**955**	**502**	**453**	
TOTAL (both permits)	**8,813**	**7,205**	**1,608**	

Figure 1 – Status of Bond Release (as of 08/19/21)



Status of full bond release on TMPA mine property proposed for sale (approx. 11,000 acres)

As of 08/25/21, the remaining bonded acreage on the approximately 11,000-acre TMPA property proposed for sale (i.e., the original 10,611-acre mine area plus the area owned by TMPA between State Highway 30 up to the boundary with the power plant property now owned by GCERG, but not including the Pond SP-50 area) is down to 321 acres (3%) (Table 2). Thus, 97% of the proposed mine sale area is unencumbered by reclamation requirements.

Table 2 – Remaining bonded areas within the "Lakes of Gibbons Creek" Sale Area

Bond release packets	Acres	Bond release status
26D – Area B2-7 + B2-9	85	Submitted 09/14/2020 – at RCT
26D – Area B2-8	146	Submit September 2021
38D – A2/A3 Blocks – Area A2-4 (17 ac) + Mine Shop (3 ac)	20	Submit September 2021
38D – Seep buffer areas	48	Submit Spring 2022
38D – Seeps 1 and 9A core areas	22	Date of submittal to be determined with Railroad Commission
Total	**321**	**Still currently bonded**

Navasota Ladies'-Tresses Orchid Conservation Areas

On August 7, 1992, TMPA entered into a Conservation Agreement with the United States Fish and Wildlife Service (USFWS) for the protection of the Navasota Ladies Tresses orchid, an endangered species. TMPA was able to obtain a termination of this Agreement from USFWS in August 2021. This removes the conservation areas as encumbrances on the mine property proposed for sale.

Permit 26D, Areas B2-7 and B2-9 (85 acres) Bond Release Application

On 09/14/20, TMPA filed a bond release application for land that it owns in Areas B2-7 and B2-9 (85.1 acres) in Permit 26D. The area was inspected by the Railroad Commission on 10/14/20. On 05/17/21, Staff transmitted the application to the Hearings Division where it was assigned a Docket number. The Administrative Law Judge approved TMPA's proposed Public Notice and it was published in the local weekly newspaper, *Navasota Examiner,* from 06/2/21 to 06/23/21. TMPA filed four supplements in response to Staff comments. Staff declared the application Administratively Complete on 07/20/21 and issued its Technical Analysis on 07/23/21. The Administrative Law Judge is preparing a draft Order for consideration by the Commissioners.

Permit 26D, Moody Property (453 acres) Bond Release Application

This is the last bonded area that is not owned by TMPA (shown in dark green on Figure 1). TMPA submitted a bond release application for this area on 10/7/20 and the area was inspected by the Commission on 11/4/20. On 04/16/21, Staff transmitted the application to the Hearings Division where it was assigned a Docket number. The Administrative Law Judge approved TMPA's proposed Public Notice and it was published in the *Navasota Examiner* over the period 06/2/21 to 06/23/21. TMPA filed four supplements in response to Staff comments. Staff declared the application Administratively Complete on 07/20/21 and is preparing its Technical Analysis.

An outstanding issue with the potential to hold up bond release is a minor leak at the principal spillway of Pond 14 on the Moody Property. TMPA prepared a plan for resolving this issue and is implementing it.

- Phase I (started on 05/4/21) involves the lowering of the water level in Pond 14 to enable the repairs to be done in dry conditions.
- Phase 2 will consist of pouring concrete to seal the leak at the gate valve in the concrete riser. Originally projected to be completed in June 2021, this phase has been delayed by frequent rains which have been refilling the pond but is scheduled for completion on 08/27/21.
- Phase 3 will consist of submitting an engineer's certification of completion to the Commission.

Permit 26D, Area B2-8 (146 acres) Bond Release Application

The next bond release application that TMPA plans to submit in August 2021 is for Area B2-8 (146 acres) in Permit 26D. This will be the last bond release application for the Permit 26D area.

Cancelation of Permit 26D

After bonding has been released for the Moody Property and Area B2-8 (projected to occur by August 2022), there will be no bonded land left in the Permit 26D area (i.e., the mine area north of Gibbons Creek). At that time, TMPA will apply to the Railroad Commission for the cancelation of Permit 26D (originally issued in 1981 as Permit 6).

Permit 38D, Application for Bond Release for Area A2-4, Mine Reclamation Shop, and Pond SP-50

The total of bonded areas remaining in Permit 38D (i.e., south of Gibbons Creek) is 271 acres. These include 201 acres proposed for bond release in Summer 2021 – Area A2-4 (17 acres), the Mine Reclamation Shop area (3 acres), and the Pond SP-50 area (181 acres). An application for the release of these areas is in preparation. The remaining 70 acres comprises the acid seep areas.

Mine Acid Seep Areas (70 acres)

The last 70 acres of bonded land consist of Mine Acid Seeps 1A and 9A (22 acres) and the rectangular buffer area around Seep 9A (48 acres) (Figures 2 and 3). TMPA has been remediating this buffer area and plans to submit it for bond release in Spring 2022.

The seeps themselves (22 acres) will probably remain bonded for an indeterminate period because they require an agreement with the Railroad Commission and the federal Office of Surface Mining on how bonding is to be released on such areas. These regulatory authorities do not currently have an established process. TMPA has developed a plan for trying to resolve this matter.

One measure to mitigate the seeps has been to reduce their flow rate by reducing the hydrostatic pressure driving them. The seeps start appearing at elevation 236 feet and the end lakes normally operate at elevation 253 feet, so the “head of water” was approximately 17 feet. In December 2020, TMPA permanently lowered the operating levels of End Lakes A3P-1 and A3P-2 by four feet by modifying the discharge structures at the spillways. The “head” has therefore been reduced from 17 feet to 13 feet.

The other measure has been to apply lime to the side-slopes surrounding the Seep 9A area. Since December 2020, approximately 2,700 tons of “Superfine” lime have been spread and disked into the soil in the drainage area of Seep 9A. “Superfine” lime is a very fine form of lime which is very effective at neutralizing acidity. The strategy is to build up a “reservoir” of this lime in the soils of the side-slopes surrounding Seep 9A to provide long-term neutralization capacity.

The data from this project are being compiled into a report for discussion with the Railroad Commission in a field meeting being scheduled for November 2021. The purpose of the meeting will be to develop a final plan for bond release on Mine Acid Seeps 1A and 9A.

Figure 2 – Aerial view of Seep 9A Project (as of 08/24/21)
(View northwest)

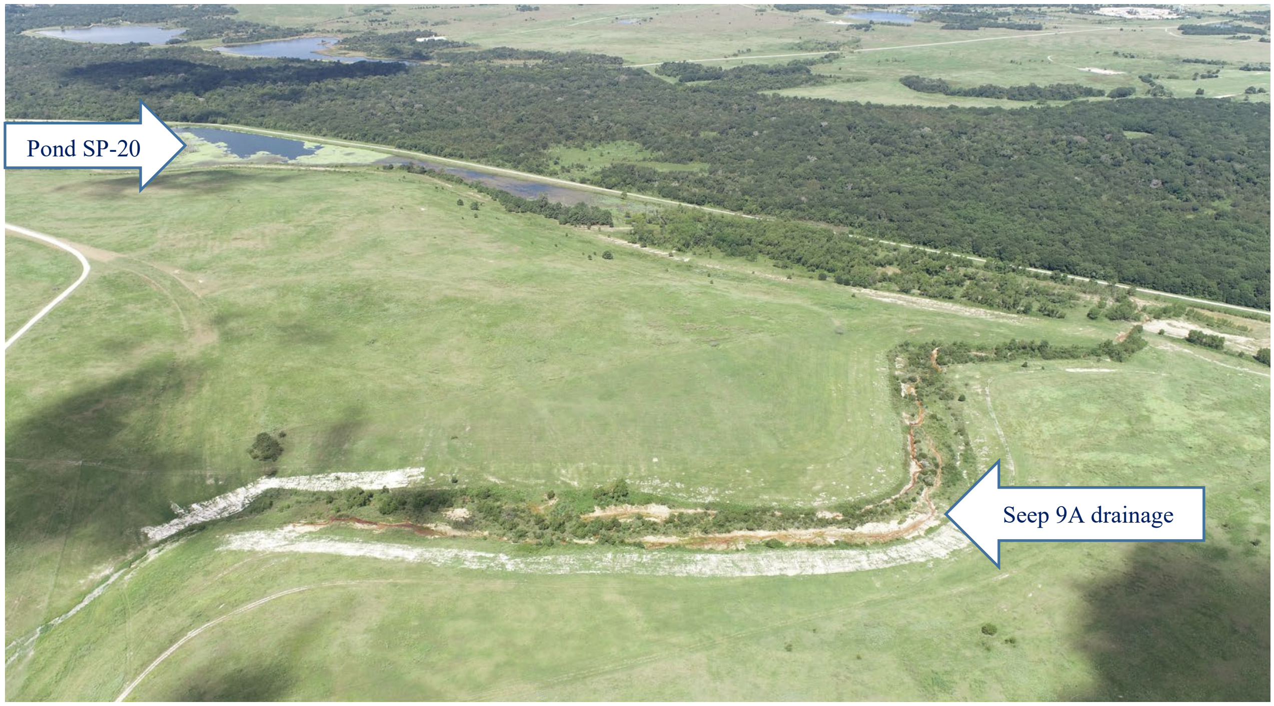
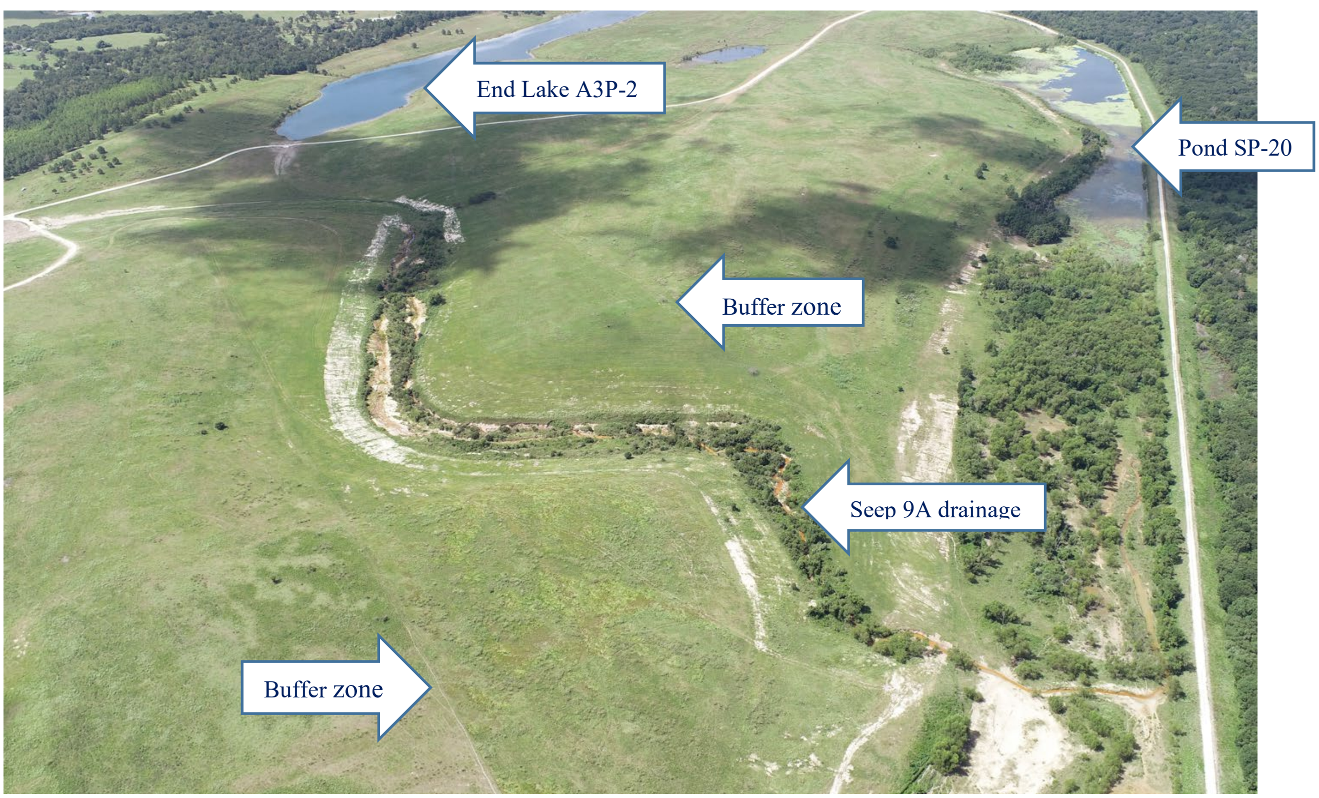


Figure 3 – Aerial view of Seep 9A Project (as of 08/24/21)
(View southwest)



Agricultural Land Use Tax Valuation

TMPA received an agricultural land use valuation for the mine property on 01/1/17 and since that time has paid the following taxes (towards the end of the calendar year for the previous year):

2017 – $14,487
2018 – $15,388
2019 – $15,427
2020 – $15,281 (estimated)

The annual tax payments are accounted for in TMPA's Mine budget through FY22 on the assumption that the mine property will be sold in that year.

Pond SP-50 Tree Project

Staff has focused on maintaining the trees and grass on the Pond SP-50 islands since their construction in November 2017. The standard set by the Railroad Commission is 30 live trees per acre. The islands measure approximately 12 acres, so the requirement is 360 trees. Results of tree counts are, as follow:

May 2019 – 1,300 trees
July 2020 – 950 trees
April 2021 – 900 trees (after Winter Storms Uri and Viola in February 2021)

As stated previously, TMPA is preparing a final bond release application for the Pond SP-50 area (together with other areas in Permit 38D) for submittal in Summer 2021.

Archeological Exhibit

On 06/16/21, TMPA completed the relocation of the archeological exhibit from the power plant office to Bryan City Hall and BTU offices. This move was approved by the Texas Historical Commission on 04/3/20 and was in accordance with the agreement signed with the City of Bryan on 06/3/20.

Geological boring data

TMPA is preparing its geological logs (52 archive boxes) for shipment to the Bureau of Economic Geology in Austin.

BACKUP MATERIAL: None

ACTION REQUESTED: None

Jan K. Horbaczewski
08/25/2021

Jan K. Horbaczewski

September 9, 2021

AGENDA ITEM NO. 5

SUBJECT: Status report relating to environmental and regulatory compliance matters.

DISCUSSION:

On February 10, 2021, the sale of GCSES and Gibbons Creek Reservoir to Gibbons Creek Environmental Redevelopment Group, LLC (GCERG) was finalized. At the time of the sale, the makeup of the Power Production department and regulatory compliance changed significantly. The former Agenda Items covering Plant Decommissioning and Environmental and Regulatory Compliance have been combined. Several discussion items related to TMPA's environmental compliance program, such as Title V, TPDES permit, CCR Rule, leachate treatment, etc., are no longer valid due to the sale of Gibbons Creek to GCERG and have been removed from this agenda item.

Compliance Staffing:

Once the sale was finalized, three Power Production positions, along with one Co-Op position, were eliminated. There is one remaining staff position to manage the variety of compliance and environmental remediation oversight matters. Daniel's position as a Technical Manager will be retained in the FY22 budget, as TMPA anticipates technical issues and land matters after the release of Power Production staffing and the retirement of the Mine Department employees.

Daniel has begun taking on responsibilities for land matters, primarily related to transmission, with the pending retirement of the current Land Administrator at the end of September 2021. Daniel is also cross-training in mine-related activities that will remain after the sale of the mine property.

Generation Compliance:

Environmental and regulatory compliance responsibilities for Gibbons Creek Steam Electric Station have been transferred to the new owner. TMPA's role, related to the plant, has fully shifted to oversight of the remediation and demolition.

Remediation and Demolition of Gibbons Creek

The demolition of the boiler and related structures is about 27% complete and is scheduled to be final in February 2022. The implosion of the boiler, scrubber, and stack has been rescheduled to early October 2021 primarily due to the availability of explosive materials. The photos below show the changes to the boiler and related structures from the beginning of the demolition in May 2021 to August 2021.

Gibbons Creek Steam Electric Station – May 2021

Gibbons Creek Steam Electric Station – August 2021

The excavation and hauling of the coal combustion residual (CCR) material from the scrubber sludge pond and ash ponds to Site F Landfill is about 20% complete and is projected to be final in

March/April 2022. The total demolition and remediation project, including Site A and F landfills, are currently projected by GCERG to be complete in October 2023.

Over the last couple of months, GCERG battled unseasonable wet weather which affected their productivity. Note: 12.1" of rain was recorded at the plant in July compared to an average rainfall of 2.4". Although GCERG's plant demolition and remediation continually move forward, there are a few items that have fallen behind schedule. On 8/12/2021, Schultz Engineering issued a letter of concern specifying items that are currently late or have not been initiated. GCERG responded immediately to act on those items and is working to make-up for the weather delays. TMPA and Schultz continue to monitor their work progress and will evaluate their performance to the project schedule at the next monthly progress report due to TMPA/Schultz on 9/2/2021.

TMPA and the Environmental Designee (Schultz Engineering) regularly monitor the progress of GCERG's work as follows:

Environmental Designee Monthly Oversight Process:

- TMPA and Schultz Engineering each visit Gibbons Creek at least once per week to observe and document the activities and discuss upcoming work.
- TMPA, Schultz, and GCERG conduct weekly meetings to discuss upcoming work and performance to the APA schedule.
- GCERG submits a monthly progress report five business days prior to the schedule Escrow Payment date on the 10th of the month. The monthly Escrow payment amount is $839,588.
- Schultz and TMPA review the monthly report and compare the contents to our internal notes and assessments. Schultz performs an independent calculation of the completion percentage compared to the APA schedule. TMPA performs an independent calculation of the value of work complete as compared to the remaining estimate of work to be completed (Remaining Closure Costs).
- Schultz communicates and discusses discrepancies, if any, to GCERG.
- Schultz submits a "no objection" letter to the Escrow Agent if the overall progress is on schedule.
- The Escrow Agent releases payment.

On 2/11/21, TMPA executed a purchase order for the Environmental Designee to Schultz Engineering LLC for remediation action oversight of GCERG (Gibbons Creek Environmental Redevelopment Group) as stipulated in the APA. The Environmental Designee will generally be responsible to 1. monitor CGERG's progress to the Project Schedule, 2. review GCERG's monthly reports and object to the escrow payment, if necessary, and 3. assess the sufficiency of the Performance Bond. The Environmental Designee will document and communicate progress and areas of concern and communicate to both TMPA and the plant buyer, as required. This work will commence upon close of the APA and will be managed by Daniel Meadows.

Financial Assessment – Total Security Available

Each month, TMPA is evaluating the balance of the Escrow Fund and the Regulatory Closure Bonds (collectively known as the Total Security Available) as compared to the Remaining Closure Costs.

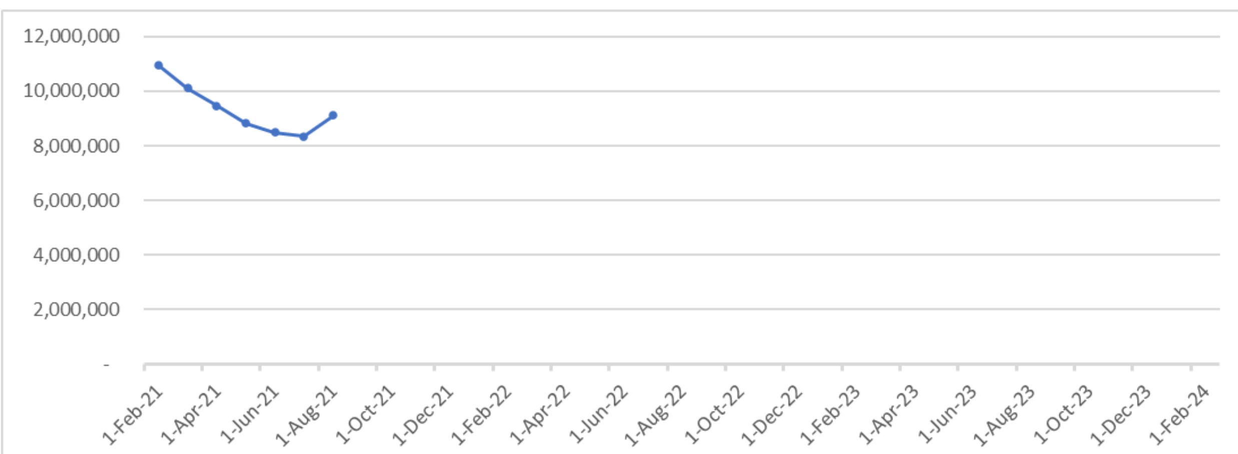
Refer to the table below for a summary of the monthly calculation. The importance of this evaluation is to ensure that Total Security Available is higher than the Remaining Closure Costs in the unlikely event that GCERG ceased work at any moment. A key point of analysis will come when GCERG requests a reduction in the closure bonding amount associated with the completion of a major part of remediation. This evaluation of bonding will likely occur for the first time in December 2021.

The current determination is that the Total Security Available is **$9.1 million** greater than the Remaining Closure Costs at this time. As shown on the table and graph below, this Difference (last column) began increasing in August 2021 related to the increase in plant demolition and CCR remediation field activities. This trend is projected to continue for the rest of 2021.

Total Security Available and Remaining Closure Cost Estimate

Month	Period Ending	Escrow Amount Balance	Regulatory Closure Bond Amount	**Total Security Available**	**Remaining Closure Cost Estimate** (estimate by TMPA/Schultz)	Difference (Total Security - Remaining Closure Costs)
0	10-Feb-21	28,546,000	36,500,000	**65,046,000**	**54,100,000**	10,946,000
1	10-Mar-21	27,703,560	36,500,000	**64,203,560**	**54,100,000**	10,103,560
2	10-Apr-21	26,864,209	36,500,000	**63,364,209**	**53,900,000**	9,464,209
3	10-May-21	26,024,845	36,500,000	**62,524,845**	**53,700,000**	8,824,845
4	10-Jun-21	25,185,479	36,500,000	**61,685,479**	**53,200,000**	8,485,479
5	10-Jul-21	24,346,100	36,500,000	**60,846,100**	**52,500,000**	8,346,100
6	10-Aug-21	23,506,512	36,500,000	**60,006,512**	**50,900,000**	9,106,512
7	10-Sep-21	-	-	**-**	**-**	

Difference (Total Security minus Remaining Closure Costs)



Notes:

1. The values for April and May vary slightly from the June 2021 Board report due to an adjustment in evaluation methodology.

BACKUP MATERIAL:

- None

ACTION REQUESTED:

- Review, discuss, and provide guidance, as necessary.

Daniel Meadows

8/25/2021

September 9, 2021

AGENDA ITEM NO. 6

SUBJECT: FY21 Third Quarter Budget Status Report

DISCUSSION: This report, along with the attachments, provides a comparison of actual cost performance to AMENDED budgets (approved at the Board meeting held on 12/10/20) for each business unit of TMPA through the third quarter of FY21, as well as year-end projections. The year-end projections are summarized as follows:

GENERATION – Projection to Year-end				
Cost Type	**Budget**	**Projection**	**(Under) / Over**	**Percentage Change**
Fixed Costs - Non-Debt	$2,899	$2,242	($657)	(22.6%)
Sale of Plant Fund	$28,146	$28,146	$0	0.0%
Other Revenues Excluding City Billings	($98)	($49)	$49	49.8%
Total Budget Variance			**($608)**	**(2.0%)**

MINE – Projection to Year-end				
Cost Type	**Budget**	**Projection**	**(Under) / Over**	**Percentage Change**
Fixed Costs - Non-Debt	$2,869	$2,963	$94	3.3%
Other Revenues Excluding City Billings	($121)	($158)	($37)	(30.3%)
Total Budget Variance			**$57**	**2.1%**

TRANSMISSION – Projection to Year-end				
Cost Type	**Budget**	**Projection**	**(Under) / Over**	**Percentage Change**
Fixed Costs - Non-Debt	$5,726	$5,582	($144)	(2.5%)
Fixed Costs - Debt	$17,860	$17,050	($811)	(4.5%)
Other Revenues	($47,520)	($34,579)	$12,941	27.2%
Total Budget Variance			**$11,987**	**50.1%**
Debt Service Coverage	1.26X	2.24X		Exceeds requirement

A&G costs are lower ($1.2M) primarily due to property insurance that was budgeted in A&G but is being directly billed to the Generation and Transmission divisions.

Generation Division - Total Costs are projected to be under budget by $608K in FY21.

1. Property Insurance is $197K higher as it was included in A&G in the budget, but the actual premiums were directly charged to the division. This offset will be reflected in reduced A&G costs allocated to Generation. This year-end projection of $197K includes the prorated refund received in March for the unused portion of the property coverage following the sale of the plant.
2. Contractor Maintenance is $176K lower due primarily to passing procurement and installation obligations of the Leachate Treatment Project to the plant buyer following the sale of the plant.
3. Consulting Services are $81K higher for services to assist with post-sale matters, primarily the Environmental Designee.
4. Legal Services are $213K lower as the 2021 Coal Combustion Residuals tasks were eliminated with the sale of the plant. Also, other environmental legal costs have been reduced with the transfer of permits.
5. Interest Income is $55K lower due to plunging interest rates.

Mine Division - Total Costs are projected to be over budget by $57K in FY21.

1. Labor & Benefits are $87K lower as a portion of Jan and Murphy's time is being coded to other divisions.
2. Severance Packages are $51K lower as Jan will be retained until sometime in FY22 (currently estimated as the end of June 2022).
3. Bank Charges are $41K lower due to the banking fees for the Mine letters of credit being lower than budgeted.
4. Contractor Maintenance is $310K higher for the survey of the mine property in preparation for selling the property.
5. Interest Income is $72K lower due to plunging interest rates.
6. Other Revenue is $108K higher due primarily to the surface waiver agreement with Blue Jay Solar.

Transmission Division - Total Costs are projected to be over budget by $12.0M in FY21.

1. Labor & Benefits are $58K higher as a result of lower than anticipated charge outs to capital projects and slight increases to overtime.
2. Property Insurance is $291K higher as it was included in A&G in the budget, but the actual premiums are being directly charged to the division. This offset will be reflected in reduced A&G costs allocated to Transmission.
3. Legal Services are $72K higher for the fees related to the amendment to the Revolving Note Program and the Brazos Electric bankruptcy.
4. Debt Service - Bonds is $450K lower due to savings resulting from the Transmission System Refunding Bonds, Series 2021 that closed on 7/29/21.
5. Revolving Notes Interest is $360K lower due to plunging interest rates.
6. Transmission System Revenue is $12.7M lower as a result of TMPA's interim filing approved by the PUCT on 12/22/20.
7. Interest Income is $356K lower due to plunging interest rates.
8. Other Revenue is $66K higher due primarily to various transmission encroachment fees.

NOTE: There is no FY21 charge to the Member Cities for the Transmission division since revenues exceed expenses.

At the end of FY21, TMPA will distribute Transmission revenues to the Cities. This distribution is currently estimated to be $17.2M. This estimate includes TMPA's retention of a Transmission cash reserve of 120 days of FY22's Transmission operating expenses.

There will also be a refund of excess TMPA funds at the end of FY21. This refund is currently estimated to be $8.5M. This estimate includes TMPA's retention of a cash reserve of 120 days of FY22's Mine and Generation operating expenses. As you will recall, there was no refund of excess TMPA funds last year as the Cities opted to have TMPA retain excess funds for the ensuing sale of the plant. This refund is available due to the release of previous years' cash reserves (non-Transmission), as well as the Generation and Mine divisions coming in under budget the last two years.

Both outflows have been reviewed by the Financial Working Group and will continue to be reviewed as the amounts are finalized in the coming months. They will be presented to the Board at the December Board meeting and wired to the Cities shortly thereafter.

BACKUP MATERIAL:

Attachment A: Generation FY21 Q3 Key Budget Driver Rate Sheet
Attachment B: Mine FY21 Q3 Key Budget Driver Rate Sheet
Attachment C: Transmission FY21 Q3 Key Budget Driver Rate Sheet

ACTION REQUESTED: None. This item is presented for the Board's information.

Lyndi Birkhead
9/1/21

ATTACHMENT A

Generation

FY21 Q3 Key Budget Driver Rate Sheet

FY21 AMENDED Budget Compared to YTD June Actual and to Year-end Projection

	FY21 AMENDED Budget Approved 12-10-20 YTD June	FY21 Actual YTD June	(Under) Over Budget	Percentage Change	FY21 AMENDED Budget Approved 12-10-20	FY21 Year-end Projection as of June	(Under) Over Budget	Percentage Change
Fixed Costs								
L01 Labor & Benefits	389,055	362,547	(26,508)	-6.8%	434,055	409,376	(24,679)	-5.7%
L01 Retention Bonuses	17,185	35,457	18,272	106.3%	43,000	61,272	18,272	42.5%
L01 Severance Packages	135,000	122,382	(12,618)	-9.3%	135,000	122,382	(12,618)	-9.3%
R41 Property Insurance	-	197,436	197,436	100.0%	-	197,436	197,436	100.0%
R51 Contractor Maintenance	244,858	62,513	(182,346)	-74.5%	244,858	68,513	(176,345)	-72.0%
S02 Consulting Services	141,125	212,112	70,987	50.3%	169,625	250,133	80,508	47.5%
S04 Legal Services	580,269	327,218	(253,051)	-43.6%	632,269	419,545	(212,724)	-33.6%
Other Fixed Costs - Non-Debt	49,576	59,967	10,392	21.0%	51,576	61,629	10,053	19.5%
Allocation of A&G	844,680	458,714	(385,966)	-45.7%	1,188,408	651,940	(536,468)	-45.1%
Subtotal Fixed Costs	**$ 2,401,748**	**$ 1,838,346**	**$ (563,402)**	**-23.5%**	**$ 2,898,791**	**$ 2,242,226**	**$ (656,565)**	**-22.6%**
C02 Sale of Plant Fund	28,146,238	28,146,238	-	0.0%	28,146,238	28,146,238	-	0.0%
Subtotal Sale of Plant Fund	**$ 28,146,238**	**$ 28,146,238**	**$ -**	**0.0%**	**$ 28,146,238**	**$ 28,146,238**	**$ -**	**0.0%**
TOTAL FIXED COSTS	**$ 30,547,986**	**$ 29,984,584**	**$ (563,402)**	**-1.8%**	**$ 31,045,029**	**$ 30,388,464**	**$ (656,565)**	**-2.1%**
Other Revenues								
I73 Interest Income	(44,301)	(2,631)	41,670	94.1%	(59,068)	(4,250)	54,818	92.8%
Other Revenue	(38,642)	(44,795)	(6,153)	-15.9%	(38,642)	(44,795)	(6,153)	-15.9%
TOTAL OTHER REVENUES	**$ (82,943)**	**$ (47,426)**	**$ 35,517**	**42.8%**	**$ (97,710)**	**$ (49,045)**	**$ 48,665**	**49.8%**
TOTAL COSTS	**$ 30,465,043**	**$ 29,937,158**	**$ (527,885)**	**-1.7%**	**$ 30,947,319**	**$ 30,339,419**	**$ (607,900)**	**-2.0%**

ATTACHMENT B

Mine

FY21 Q3 Key Budget Driver Rate Sheet

FY21 AMENDED Budget Compared to YTD June Actual and to Year-end Projection

	FY21 AMENDED Budget Approved 12-10-20 YTD June	FY21 Actual YTD June	(Under) Over Budget	Percentage Change	FY21 AMENDED Budget Approved 12-10-20	FY21 Year-end Projection as of June	(Under) Over Budget	Percentage Change
Fixed Costs								
L01 Labor & Benefits	319,170	250,861	(68,309)	-21.4%	436,759	350,000	(86,759)	-19.9%
L01 Retention Bonuses	-	-	-	-100.0%	66,773	66,773	-	0.0%
L01 Severance Packages	-	-	-	-100.0%	85,632	34,843	(50,789)	-59.3%
M44 Mine Maintenance	270,000	195,015	(74,985)	-27.8%	320,000	320,000	-	0.0%
R06 Bank Charges	175,000	155,863	(19,137)	-10.9%	221,000	180,000	(41,000)	-18.6%
R51 Contractor Maintenance	82,500	69,451	(13,049)	-15.8%	110,000	420,000	310,000	281.8%
S02 Consulting Services	416,250	282,357	(133,893)	-32.2%	555,000	555,000	-	0.0%
S04 Legal Services	167,500	163,126	(4,374)	-2.6%	200,000	200,000	-	0.0%
Other Fixed Costs - Non-Debt	97,950	82,678	(15,272)	-15.6%	102,150	102,150	-	0.0%
Allocation of A&G	548,563	516,534	(32,029)	-5.8%	771,791	734,115	(37,676)	-4.9%
TOTAL FIXED COSTS	**$ 2,076,933**	**$ 1,715,884**	**$ (361,049)**	**-17.4%**	**$ 2,869,106**	**$ 2,962,881**	**$ 93,776**	**3.3%**
Other Revenues								
I76 Interest Income	(56,204)	(2,929)	53,275	94.8%	(74,939)	(3,350)	71,589	95.5%
Other Revenue	(34,500)	(107,500)	(73,000)	-211.6%	(46,000)	(154,203)	(108,203)	-235.2%
TOTAL OTHER REVENUES	**$ (90,704)**	**$ (110,429)**	**$ (19,725)**	**-21.7%**	**$ (120,939)**	**$ (157,553)**	**$ (36,614)**	**-30.3%**
TOTAL COSTS	**$ 1,986,229**	**$ 1,605,455**	**$ (380,774)**	**-19.2%**	**$ 2,748,167**	**$ 2,805,329**	**$ 57,162**	**2.1%**

	Project Balance as of 9/30/20	Actual Spent as of 6/30/21	Project Balance as of 6/30/21
Acid Seep Project*	634,077	316,489	317,588

**Funds for this project were collected in previous years and have been specifically reserved for work on the acid seeps. These expenses do NOT impact the FY21 budget and are NOT included in the analysis above.*

Transmission

FY21 Q3 Key Budget Driver Rate Sheet

FY21 AMENDED Budget Compared to YTD June Actual and to Year-end Projection

	FY21 AMENDED Budget Approved 12-10-20 YTD June	FY21 Actual YTD June	(Under) Over Budget	Percentage Change	FY21 AMENDED Budget Approved 12-10-20	FY21 Year-end Projection as of June	(Under) Over Budget	Percentage Change
Fixed Costs								
L01 Labor & Benefits	455,166	479,783	24,617	5.4%	615,738	673,738	58,000	9.4%
R06 Bank Charges	222,850	178,420	(44,430)	-19.9%	298,050	267,000	(31,050)	-10.4%
R41 Property Insurance	-	212,135	212,135	100.0%	-	291,286	291,286	100.0%
R51 Contractor Maintenance	832,477	1,435,706	603,229	72.5%	1,587,500	1,587,500	-	0.0%
S02 Consulting Services	-	8,928	8,928	-100.0%	-	8,928	8,928	-100.0%
S04 Legal Services	45,000	140,688	95,688	212.6%	88,000	160,000	72,000	81.8%
Other Fixed Costs - Non-Debt	820,051	964,635	144,584	17.6%	1,301,296	1,356,097	54,801	4.2%
Allocation of A&G	1,304,377	870,510	(433,867)	-33.3%	1,835,172	1,237,199	(597,973)	-32.6%
Subtotal Fixed Costs - Non-Debt	**$ 3,679,921**	**$ 4,290,805**	**$ 610,884**	**16.6%**	**$ 5,725,756**	**$ 5,581,748**	**$ (144,008)**	**-2.5%**
R57-R58 Debt Service - Bonds	10,217,034	10,217,038	4	0.0%	13,622,808	13,172,611	(450,197)	-3.3%
R55 Revolving Notes Interest	498,724	271,150	(227,575)	-45.6%	695,383	335,000	(360,383)	-51.8%
R62 Debt Coverage Payment	2,656,448	2,656,448	-	0.0%	3,541,930	3,541,930	-	0.0%
Subtotal Fixed Costs - Debt	**$ 13,372,206**	**$ 13,144,635**	**$ (227,571)**	**-1.7%**	**$ 17,860,121**	**$ 17,049,541**	**$ (810,581)**	**-4.5%**
TOTAL FIXED COSTS	**$ 17,052,127**	**$ 17,435,440**	**$ 383,313**	**2.2%**	**$ 23,585,877**	**$ 22,631,289**	**$ (954,589)**	**-4.0%**
Other Revenues								
I50 Transmission System Revenue	(35,309,453)	(26,705,508)	8,603,944	24.4%	(47,079,270)	(34,428,578)	12,650,692	26.9%
I70-I75 Interest Income	(273,213)	(13,850)	259,363	94.9%	(368,453)	(12,285)	356,168	96.7%
Other Revenue	(56,975)	(79,454)	(22,479)	-39.5%	(72,300)	(137,914)	(65,614)	-90.8%
TOTAL OTHER REVENUES	**$ (35,639,641)**	**$ (26,798,812)**	**$ 8,840,828**	**24.8%**	**$ (47,520,023)**	**$ (34,578,777)**	**$ 12,941,246**	**27.2%**
TOTAL COSTS / (REVENUES)	**$ (18,587,514)**	**$ (9,363,373)**	**$ 9,224,141**	**-49.6%**	**$ (23,934,146)**	**$ (11,947,488)**	**$ 11,986,658**	**50.1%**

September 9, 2021

AGENDA ITEM NO. 7

SUBJECT: Resolution No. 2021-9-2, declaring that the purposes of the Decommissioning Reserve Account have been accomplished and therefore approving a reduction of the required balance of the Decommissioning Reserve Account; and resolving matters incidental and related thereto.

DISCUSSION: Section 5.5 of the Joint Operating Agreement ("JOA") between the Member Cities and TMPA requires that the Decommissioning Reserve Account have a maximum account balance of $30 million "or such other amount as determined by a Super-Majority Vote of the TMPA Board".

Section 3.2.2(3) of the JOA requires that proceeds from the sale of the mine be used to fund the Decommissioning Reserve Account as necessary to establish an account balance of $30 million "or such other amount as determined by the unanimous Approval of all Participating Public Entities".

The purpose of this Resolution is to establish a maximum account balance for the Decommissioning Reserve Account of $0.00. As indicated above, to accomplish this reduction of the account balance will also require the approval of all Member Cities.

The primary reason for this action is that the purposes of the Decommissioning Reserve Account have been accomplished. Under Section 5.5.3 of the JOA, the purposes of the Decommissioning Reserve Account are to fund the costs of decommissioning the Generation Assets of TMPA, fund the costs of environmental remediation, and fund the costs of environmental insurance. However, as a result of the sale of the Gibbons Creek Steam Electric Station ("Gibbons Creek") to Gibbons Creek Environmental Redevelopment Group, LLC ("GCERG"), GCERG's assumption under the Asset Purchase Agreement ("APA") of all responsibilities relating to the decommissioning and environmental remediation of Gibbons Creek, and the provision by GCERG of a $25,000,000 environmental insurance policy naming the Agency and the Member Cities as additional insureds, the purposes of the Decommissioning Reserve Account have been accomplished. Further, GCERG's assumption of decommissioning responsibilities is supported by the establishment of an environmental escrow fund in the amount of $28,546,000 at closing of the sale, and a performance bond in the amount of $36,500,000.

If the maximum account balance of the Decommissioning Reserve Account is reduced to $0.00, TMPA will be able to distribute all of the net sales proceeds to the Member Cities immediately after the proceeds are received.

BACKUP MATERIAL: None

ACTION REQUESTED: Consideration and action on Resolution No. 2021-9-2.

RESOLUTION NO. 2021-9-2

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY ("AGENCY") DECLARING THAT THE PURPOSES OF THE DECOMMISSIONING RESERVE ACCOUNT HAVE BEEN ACCOMPLISHED AND THEREFORE APPROVING A REDUCTION OF THE REQUIRED BALANCE OF THE DECOMMISSIONING RESERVE ACCOUNT; AND RESOLVING MATTERS INCIDENTAL AND RELATED THERETO.

WHEREAS, the Joint Operating Agreement ("JOA") between the Agency and the Member Cities requires that proceeds from the sale of the Gibbons Creek Lignite Mine be used for, among other things, the establishment of a Decommissioning Reserve Account having an account balance of $30 million;

WHEREAS, the purposes of the Decommissioning Reserve Account are to fund the costs of decommissioning the Gibbons Creek Steam Electric Station ("Gibbons Creek"), fund the costs of environmental remediation, and fund the costs of environmental insurance;

WHEREAS, the purposes of the Decommissioning Reserve Account have been accomplished through:

(i) the sale of Gibbons Creek to the Gibbons Creek Environmental Redevelopment Group, LLC ("GCERG"), which has assumed all responsibilities relating to the decommissioning and environmental remediation of Gibbons Creek,

(ii) in connection with such sale, the establishment of an escrow fund with UMB Bank, N.A., as escrow agent, funded in the initial amount of $28,546,000, to provide for GCERG's decommissioning costs, and

(iii) also in connection with such sale, the posting of a performance bond by GCERG, to provide additional security for the decommissioning operations, in the amount of $36,500,000, and the provision by GCERG of a $25,000,000 environmental insurance policy, naming the Agency and the Member Cities as insureds;

WHEREAS, because the purposes of the Decommissioning Reserve Account have been accomplished as aforesaid, the Board has determined that the required account balance of the Decommissioning Reserve Account should be reduced to $0.00 to avoid overfunding for the costs of decommissioning;

WHEREAS, pursuant to Sections 3.2.2(3) and 5.5 of the JOA, the Board, with the concurrence of all Member Cities, may adjust the required balance of the Decommissioning Reserve Account;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY:

1. That the above recitals are true and correct;

2. That the required balance of the Decommissioning Reserve Account is reduced to $0.00;

3. That this Resolution shall be effective on the date when all Member Cities shall have also approved the reduction of the required balance of the Decommissioning Reserve Account to $0.00;

4. That it is officially found and determined that notice of this meeting of the Board of Directors of the Agency was given as required by law.

PASSED AND APPROVED THIS 9TH DAY OF SEPTEMBER 2021.

____
Sue Ann Harting, President
Board of Directors
Texas Municipal Power Agency

ATTEST: ____________________________
Buppy Simank, Secretary
Board of Directors
Texas Municipal Power Agency

June 10, 2021

AGENDA ITEM NO. 8

SUBJECT: Status report relating to the TMPA transmission operations and five-year transmission capital project plan.

DISCUSSION: The purpose of this agenda item is to provide two routine reports to the Board.

BACKUP MATERIAL:
1) Transmission Operations Status Reports
2) Transmission Capital Project Status Report

ACTION REQUESTED: None.

TRANSMISSION OPERATIONS STATUS REPORT
AUGUST 20, 2021

Outage Summary:

During the months of May, June and July 2021, TMPA had six planned outages on the 345kV system, nine planned outages on the 138kV system and no planned outages on the 69kV system. There was one forced extension on the 345kV, one on the 138kV and none on the 69kV system. There were no unplanned outages on the 345kV system, one on the 138kV system and none on the 69kV system.

Unplanned Outage Details: The unplanned 138kV outage was on Ben Davis 8080 breaker. This breaker was forced out to repair the Cap Bank. It was switched out on 4/29/21@15:02 and returned to service on 5/4/21@16:24.

Forced Extension Details: The 345kV forced extension was the Gibbons Creek to Limestone to replace damaged insulators, the extension was necessary due to rain and muddy conditions.

The 138kV forced extension was the Crist to McCree line to allow safe working distance to dress new Auto XFMR at McCree.

Personnel Summary:
Every TMPA operator is NERC-certified and current with all continuing education requirements.

Steve Martin
Matt Carter
8/20/21

TMPA Transmission Operations Report
2021

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021 Total
Planned Outages													
345 Kv	3	2	2	7	3	1	2						**20**
138 Kv	3	1	2	6	7	1	1						**21**
69 Kv	0	0	0	0	0	0	0						**0**
Devices requested													**0**
Un-Planned Outages													
345 Kv	0	1	0	0	0	0	0						**1**
138 Kv	1	0	0	0	1	0	0						**2**
69 Kv	0	0	0	0	0	0	0						**0**
Forced Extension Outages													
345 Kv	0	0	1	0	0	1	0						**2**
138 Kv	0	0	1	0	1	0	0						**2**
69 Kv	0	0	0	0	0	0	0						**0**

Note: Outages are counted by the number of entries in the ERCOT Outage Scheduler.

TRANSMISSION FIVE-YEAR PROJECTS PLAN STATUS REPORT
August 2021

SUBJECT: Status report relating to the TMPA five-year transmission capital project plan.

DISCUSSION: The attached five-year Transmission Project Status Report incorporates the five-year period of Fiscal Year 2021 through Fiscal Year 2025. Projects reported as “Completed” in a previous report have been removed from this report.

Additional capital projects are being reviewed and discussed within the Transmission Engineering Working Group (TEWG) that could potentially affect the number of projects and capital investment on the Transmission Project Status Report.

Staff will update the Transmission Project Status Report and present to the P&O and Board as future capital projects are vetted and direction given.

Steve Martin
8/25/2021

Transmission Project Status Report
August 2021

Projects	Priority	Original Proposed Completion Date	Projected or Actual Completion Date	Original Approved Budget/Cost Estimate	Current Approved Budget/Cost Estimate	FY 2021	FY2022	FY2023	FY2024	FY2025	Total Estimated Expenditures FY21-FY25	Comments
T11009 CIP Substation Security	H	Dec-11	Sep-22	$1,250,700	$1,250,700	$20,000	$190,419				$210,419	Cameras are active at Gibbons Creek.
T13001 Breaker Replacements	H	Sep-17	Sep-22	$12,201,239	$12,201,239	$0	$271,688				$271,688	Project continues in the Fall 2021 with the installation of the breaker disconnect switches on the Reserve AUX transformer breakers and the repalcement of the Voltage transformers on the Keith Switch line
T13002 Relay and SCADA Upgrade	M	Sep-17	Sep-22	$7,552,776	$7,552,776	$50,000	$200,000				$250,000	Relay panels at Dansby to be installed in conjunction with BTU Dansby upgrade. Relay enhancement at Gibbons Creek, Denton West and Jack Creek are replacing obsolete equipment.
T17007 Brand Rd. Pole Reroute	L	Sep-17	Sep-24	$192,000	$192,000	$43,402			$148,598		$192,000	Project required for street improvements and cost will be reimbursed by City of Garland. Project on Hold.
T17009 Steep Hollow to Keith Switch fiber installation	H	May-18	May-22	$715,000	$715,000	$0	$444,546				$444,546	Fiber installation delayed pending pole replacement project (T20002).
T18004 Pauwells Transformer Power Upgrades	H	Sep-19	Dec-21	$300,000	$300,000	$0	$34,816				$34,816	All complete and will now move to closeout.
T19003 Black Start Path Generator Installation	M	May-20	May-22	$300,000	$300,000	$100,000	$50,000				$150,000	Project is to install back up generators at Pruitt, Shelby, and Greenville Interchange. Shelby in Service. Greenville will be in Service Spring 2021. Pruitt will be coordinated with ONCOR project
T19004 McCree Equipment Installation	M	Jun-21	Apr-23	$1,644,500	$1,644,500	$219,321	$200,000	$ 1,000,000			$1,419,321	Project is in conjunction with GP&L ERCOT requested project to install a new 600 MVA transformer. 345kV breaker has been installed.
T20001 Pruitt ONCOR Transmission Separation	H	May-20	Sep-21	$300,000	$300,000	$286,652					$286,652	Construction continuing.
T20002 Steep Hollow to Keith Switch T-line Rebuild	H	Mar-20	Mar-22	$12,800,000	$12,800,000	$2,000,000	$10,800,000				$12,800,000	Material on order. Construction awarded. Fall '21 construction.
T20003 Gibbons Creek Decommission Transmission Project	H	May-20	Apr-21	$385,000	$385,000	$385,000					$385,000	Complete.
T20004 Ben Davis Breaker Replacement Project	H	Dec-21	Dec-21	$4,290,000	$4,290,000	$1,000,000	$2,790,000				$3,790,000	Breakers on order. Design will now call for elevated breakers to connect to the old control house. Construction to begin Oct '21.
T20006 Greenville to Olinger Airport Marker Ball	H	Dec-21	Dec-21	$150,000	$150,000	$25,000	$125,000				$150,000	Waiting on direction from the FAA.
T21002 Shelby-Nevada elevation for SS1570	H	Jun-21	Jun-22	$600,000	$600,000	$100,000	$500,000				$600,000	ONCOR is waiting for TxDOT agreement.
T21003 Ben Davis to Royse Transmisson Line Tower	H	Dec-21	Dec-21	$2,200,000	$2,200,000	$400,000	$1,800,000				$2,200,000	Pole is out for Bid.
T21004 I35 - Masch Br to Denton North TML Reroute	H	May-22	May-22	$5,210,000	$5,210,000		$5,210,000				$5,210,000	Project Kickoff upon approval.
T21005 Pruitt 138 kV Terminal Addiition	H	Dec-22	Dec-22	$3,700,000	$3,700,000		$3,700,000				$3,700,000	Project Kick off upon approval.
				Totals	**$53,791,215**	**$4,629,375**	**$26,316,469**	**$1,000,000**	**$148,598**	**$0**	**$32,094,442**	

September 9, 2021

AGENDA ITEM NO. 9

SUBJECT: Resolution No. 2021-9-3, amending the FY2021 Annual Transmission System Capital Budget by appropriating funds for the Phase Two Gibbons Creek Decommission Transmission Project; and resolving matters incidental and related thereto.

DISCUSSION: As a result of the decommissioning of Gibbons Creek, it is necessary to make modifications to the Gibbons Creek Substation.

The initial phase of this project involved the electrical disconnection of the substation from the plant. The second phase to be authorized by this Resolution would involve, among other things, development of a spill, prevention, control, and countermeasures plan, relocation of a transformer terminal, the replacement of breakers, and the conducting of a lightning shielding study.

The Resolution appropriates $1.76 million for this project.

BACKUP MATERIAL: Gibbons Creek Decommission Phase 2 Capital Proposal

ACTION REQUESTED: Consideration and action on Resolution No. 2021-9-3.

RESOLUTION NO. 2021-9-3

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY ("AGENCY") AMENDING THE FY2021 ANNUAL TRANSMISSION SYSTEM CAPITAL BUDGET BY APPROPRIATING FUNDS FOR THE PHASE TWO GIBBONS CREEK DECOMMISSION TRANSMISSION PROJECT; AND RESOLVING MATTERS INCIDENTAL AND RELATED THERETO.

WHEREAS, as a result of the decommissioning of Gibbons Creek Steam Electric Station, it is necessary to make modifications to the Gibbons Creek Substation (the "Phase Two Gibbons Creek Decommission Transmission Project");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY:

1. That the above recitals are true and correct;

2. That the FY2021 Annual Transmission System Capital Budget is amended by appropriating $1,760,000 for the Phase Two Gibbons Creek Decommission Transmission Project;

3. That it is officially found and determined that notice of this meeting of the Board of Directors of the Agency was given as required by law.

PASSED AND APPROVED THIS 9TH DAY OF SEPTEMBER 2021.

____
Sue Ann Harting, President
Board of Directors
Texas Municipal Power Agency

ATTEST: ______________________________
Buppy Simank, Secretary
Board of Directors
Texas Municipal Power Agency

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

PROJECT TITLE: Gibbons Creek Decommission Phase 2		PROJECT MANAGER: Paul Ricciardi		DATE: July 28, 2021	
PROJECT NO.	RISK LEVEL:	RISK TYPE:	FERC ACCOUNT:	FUNDING: ☐ Rate ☑ Debt	
SCHEDULE DATES					
START DATE: October 2021			ESTIMATED IN-SERVICE DATE: December 2022		
☑ Capital			☐ Annual Need ☑ One Time Need ☐ Cyclical Need	Capital Plan Year: 2021	
Total Cost: $1,760,000	FY21: $ 1,000,000	FY22: $ 660,000	FY23: $ 100,000	FY24:	FY25:

DESCRIPTION OF PROJECT:

The scope of this project is to continue modifications of transmission assets in the Gibbons Creek Substation due to the decommissioning of Power Production. This is the second phase of this project which includes the modifications to electrical, relaying, and spill prevention, control, and countermeasure plan.

Transformer #3 terminal will be relocated from the existing terminal to the 5010 and 5020 breakers. Breakers 5040 and 5130 and switch 5042 will be replaced with bus support structures. Upgrade bus to 5000 A rating. Perform a lightning shielding study to determine if there is a need for further modification. The shield wire that was removed in phase one will be relocated for the new orientation to protect the south buses and autotransformer #2. Various existing Mitusbishi 138 kV breakers will replace Hitachi 138 kV breakers.

A sump pump will be installed on autotransformer #2 to isolate any potential oil spill from the plant environmental system. The 48" storm water line to the power plant will be disconnected and storm water runoff will be diverted to the ditches south and east of the substation. A spill prevention, control, and countermeasure plan will be developed due to modifications being made.

This project will also remove all distribution assets in Gibbons Creek that fed Hog Creek.

PROJECT BENEFITS & JUSTIFICATION (OUTCOME):

Project benefits include enhanced protection and ease of upgrade to the substation.

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

BACKGROUND:

Power Production has been suspended on October 23, 2019.

ALTERNATIVES:

1. Do nothing and accept the risk of the substation as is. This will result in inferior relay and spill protection.

2.

3.

COST/BENEFIT WORKSHEET

ECONOMIC ASSESSMENT:

Costs: Current Year Only

TMPA Labor Hours =			**Benefits:$/Year**
TMPA Labor	**$**		**Reliability -**
Materials	**$**	250,000	**Capability -**
Contract Services	**$**	1,050,000	**Labor Savings -**
Engineering Consultant	**$**	300,000	**Heat Rate Improvement -**
Misc. Expenses	**$**	160,000	**Non Labor O&M Savings -**
Labor Loadings (50%)	**$**		**Total Benefit $**
TOTAL	**$**	1,760,000	**Cost / Benefit =**

Estimation Levels:
P1 = Budget/Preliminary
P2 = Conceptual
P3 = Detail Design

Staff will measure improvement of completed project: ☐ Yes ☑ No

Level of Estimate: P1 ☑ **P2** ☐ **P3** ☐

Over $100K in professional services: ☑ Yes ☐ No

Estimated life of asset: 40

Is land acquisition or right of ways procurement required: ☐ Yes ☑ No

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

ASSUMPTIONS:

Contract Engineering: 300,000.00
GP&L Engineer: 50,000.00
Contract Costs: 1,000,000.00
Materials: 250,000.00
Sub Total: 1,600,000
Contingency:160,000
TOTAL: 1,760,000

There could be a need for a shield mast addition. This is dependent on the results of the lightning shield study.

There will be some cost recovery in scrap metal value in breakers and other materials.

The 20 MVA transformer will be sold for cost recovery.

All construction work will be contract.

SIGNATURES	
Project Manager:	**Date:** 8-6-21
Supervisor:	**Date:**
Division Manager: Steve Martin	**Date:** 8-11-2021
General Manager:	**Date:** 8/30/21

September 9, 2021

AGENDA ITEM NO. 10

SUBJECT: Resolution No. 2021-9-4, amending the FY2022 Annual Transmission System Capital Budget by appropriating funds for the Shelby to Nevada New Line and Station Project; and resolving matters incidental and related thereto.

DISCUSSION: The purpose of this project is to construct the facilities necessary to enable a solar project to interconnect with the ERCOT grid. The project will involve the construction of a new 1.5 mile 138 kV transmission line and a new 138 kV substation located adjacent to the existing Shelby to Nevada line.

The Resolution appropriates $12.5 million for this project.

BACKUP MATERIAL: Shelby to Nevada New Line & Station Capital Proposal

ACTION REQUESTED: Consideration and action on Resolution No. 2021-9-4.

RESOLUTION NO. 2021-9-4

A RESOLUTION BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY ("AGENCY") AMENDING THE FY2022 ANNUAL TRANSMISSION SYSTEM CAPITAL BUDGET BY APPROPRIATING FUNDS FOR THE SHELBY TO NEVADA NEW LINE AND STATION PROJECT; AND RESOLVING MATTERS INCIDENTAL AND RELATED THERETO.

WHEREAS, in order to enable a solar project to interconnect to the ERCOT grid, it is necessary to construct a new 138 kV transmission line and a new 138 kV substation (the "Shelby to Nevada New Line and Station Project");

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TEXAS MUNICIPAL POWER AGENCY:

1. That the above recitals are true and correct;

2. That the FY2022 Annual Transmission System Capital Budget is amended by appropriating $12,500,000 for the Shelby to Nevada New Line and Station Project;

3. That the General Manager, or a person acting at his direction, is authorized to execute interconnection and related agreements in order to facilitate the Project;

4. That it is officially found and determined that notice of this meeting of the Board of Directors of the Agency was given as required by law.

PASSED AND APPROVED THIS 9TH DAY OF SEPTEMBER 2021.

____
Sue Ann Harting, President
Board of Directors
Texas Municipal Power Agency

ATTEST: ______________________________
Buppy Simank, Secretary
Board of Directors
Texas Municipal Power Agency

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

PROJECT TITLE:		PROJECT MANAGER:		DATE:
Shelby to Nevada New Line & Station		Eric Carter		June 30, 2021
PROJECT NO.	**RISK LEVEL:**	**RISK TYPE:**	**FERC ACCOUNT:**	**FUNDING:** ☐ Rate ☑ Debt

SCHEDULE DATES

START DATE:	ESTIMATED IN-SERVICE DATE:	
☑ Capital	☐ Annual Need ☑ One Time Need ☐ Cyclical Need	Capital Plan Year: 2022

Total Cost:	FY21:	FY22:	FY23:	FY24:	FY25:
$12,500,000		$ 2,300,000	$ 10,200,000		

DESCRIPTION OF PROJECT:

This project involves installing a new 1.5 mile 138kV transmission line and a new 138kV station located adjacent to and cut-in to the existing Shelby to Nevada line approximately 5 miles from Shelby. The new station will be built as a 3 bay breaker and a half with an ultimate 6 bay breaker and a half scheme. A Generation Interconnection Agreement will be required between TMPA and ABEI Energy (Hathor Solar, LLC) and will specify the security required from Hathor Solar, LLC prior to initiating this project.

PROJECT BENEFITS & JUSTIFICATION (OUTCOME):

The addition of the new line and substation will accommodate the interconnection of Hathor Solar.

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

BACKGROUND:

The Resource Entity requested interconnection for 84.5MW of solar generation at a 138kV injection voltage. ERCOT has assigned Texas Municipal Power Agency the Transmission Service Provider for interconnection of the new generation based on RE's registration for new generation.

ALTERNATIVES:

1. A TSP is required to provide interconnection to a generator in ERCOT. TMPA could assign another TSP the project with ERCOT's approval.

2. Ring-Bus arrangement - $12,300,000

3.

COST/BENEFIT WORKSHEET

ECONOMIC ASSESSMENT:

Costs: Current Year Only

			Benefits:$/Year
TMPA Labor Hours =			
TMPA Labor	**$**	4,900,000	**Reliability -**
Materials	**$**	4,000,000	**Capability -**
Contract Services	**$**	1,500,000	**Labor Savings -**
Engineering Consultant	**$**	2,100,000	**Heat Rate Improvement -**
Misc. Expenses	**$**		**Non Labor O&M Savings -**
Labor Loadings (50%)	**$**		**Total Benefit $**
TOTAL	**$**	12,500,000	**Cost / Benefit =**

Estimation Levels:
P1 = Budget/Preliminary
P2 = Conceptual
P3 = Detail Design

Staff will measure improvement of completed project: ☐ Yes ☑ No

Level of Estimate: P1 ☑ P2 ☐ P3 ☐

Over $100K in professional services: ☑ Yes ☐ No

Estimated life of asset: 40

Is land acquisition or right of ways procurement required: ☑ Yes ☐ No

TEXAS MUNICIPAL POWER AGENCY
CAPITAL PROPOSAL

ASSUMPTIONS:

We will be using the standard design for transmission line protection.
We will be installing 3000 amp equipment including 3000 A breakers, 2000 A line switches, 3000 A breaker switches, surge arrestors and CCVT's.
A new control enclosure will be installed in the new station.
Transmission line design will be single circuit delta configuration on steel monopole.

SIGNATURES			
Project Manager:	[signature]	**Date:**	8-12-2021
Supervisor:	[signature]	**Date:**	8-12-2021
Division Manager:	Steve Martin	**Date:**	8-12-2021
General Manager:	Bob Kahn	**Date:**	8/30/21


Greenville
SHE
SET ABESO-138 KV
Caddo Mills
Josephine
138kV

September 9, 2021

AGENDA ITEM NO. 11

SUBJECT: Executive Session

Executive session will be held pursuant to the Open Meetings Act (Chapter 551, Government Code) for the following items:

A. General Manager Annual Performance Review and General Manager Agreement (personnel matter under Section 551.074, Government Code).

B. Status report relating to the sale of the Gibbons Creek Lignite Mine (value of real property under Section 551.072, Government Code, and legal advice under Section 551.071, Government Code).

In the Board's discretion, the Board may discuss and/or take action on one or more of the above executive session items in open meeting. In regard to items scheduled on this Agenda for discussion and/or action in the open portion of the meeting, the Board may, in its discretion, address one or more of such items in executive session if and to the extent permitted by the Texas Open Meetings Act.

September 9, 2021

AGENDA ITEM NO. 11A

SUBJECT: General Manager Annual Performance Review and General Manager Agreement.

DISCUSSION: The purpose of this item is to conduct the General Manager's annual performance review.

BACKUP MATERIAL: Mr. Kahn's accomplishments will be distributed at the Board Meeting. A copy was also emailed on September 1, 2021.

ACTION REQUESTED: 1) Annual Performance Review to be presented to Mr. Kahn
2) Recommendation for any salary adjustment or updates to the General Manager Agreement to be presented in open session**.**

September 9, 2021

AGENDA ITEM NO. 11B

SUBJECT: Status report relating to the sale of the Gibbons Creek Lignite Mine.

DISCUSSION: A detailed update will be provided at the meeting.

BACKUP MATERIAL: None.

ACTION REQUESTED: None.

Bob Kahn
8/26/21

Competitive and Confidential Information

September 9, 2021

AGENDA ITEM NO. 12

SUBJECT: Election of Officers (President, Vice President, and Secretary) and approval of appointments to standing committees (Audit & Budget Committee and Personnel Committee) in accordance with Agency Rules & Regulations.

DISCUSSION: In accordance with the Agency Rules & Regulations, the election of the following officers will be held at the Annual Meeting:

- President
- Vice President
- Secretary-Treasurer

The Rules & Regulations also provide for the appointment of two standing committees: the Personnel Committee and the Audit & Budget Committee. Committee members are appointed by the President and confirmed by the Board. The Personnel Committee consists of the President of the Board, and three other Board Members, each representing a different Member City. Similarly, the Audit & Budget Committee (ABC) consists of the Vice President of the Board, and three other Board Members, each representing a different Member City. To simplify the process, the following priority of rules has been used to determine committee assignments.

1. The President and Vice President are the respective chairs of the Personnel and Audit & Budget committees.
2. The peer Board Members from the President's and Vice President's city move to the opposite committee to maintain equal representation.

The Rules & Regulations require no specific experience requirements to serve as a TMPA officer and the duties of each office are outlined below:

Section 4: The President

The President shall, when present, preside at all meetings of the Board of Directors. He may sign, with the Secretary-Treasurer or any other proper officer of the Agency, authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution shall be expressly delegated by the Board of Directors to some other officer or agent of the Agency, and in general shall perform all duties incident to the office of President and other duties as may be prescribed by the Board of Directors.

Section 5: The Vice-President

In the absence of the President or in the event of his death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President, and shall perform other duties as may be assigned to him by the President or by the Board of Directors.

Section 6: The Secretary-Treasurer

The Secretary-Treasurer shall keep the minutes of the Board of Directors meetings; see that all notices are duly given in accordance with the provisions hereof and as required by law; be custodian of the Agency records; keep a register of the post office addresses of the Directors, and of the members of any committee appointed by the Board of Directors. Such officer shall also have charge and custody of and be responsible for all funds and securities of the Agency; receive and give receipts for monies due and payable to the Agency from any source, and deposit all monies in the name of the Agency in the depositories selected in accordance with the provisions of Article VI, Section 3 of these by-laws; and perform all of the duties as may be assigned to him or her by the President or by the Board of Directors. Subject to the right of the Secretary-Treasurer to perform the foregoing duties, the Secretary-Treasurer may allow the foregoing duties to be performed by other officers or employees of the Agency.

The President of the Board position requires more time than the Vice President or Secretary-Treasurer positions, as the President is frequently contacted on matters regarding Board Agendas, coordination with and on P&O Committee matters, plant and transmission matters, and frequently visits the site and meets with Agency Staff outside of Board meetings.

The current tenures of the Board Members are as follows:

BOARD MEMBER	YEARS OF SERVICE
Jesse Davis	<1
Buppy Simank	1
Summer Spurlock	2
Kean Register	9
Bill Cheek	11
Jamie Ratliff	17
Tom Jefferies	19
Sue Ann Harting	22

Following the above guidelines as they relate: A Secretary would normally be nominated from the city which held no officer position in FY21, Garland.

Following past practices of ascendency which have varied from time to time, rotation among the Cities, and the rules above, the changes below would occur:

- For Bryan, Buppy Simank served as Secretary-Treasurer; therefore, he is in line to become Vice President and chair of the Audit and Budget Committee. Kean Register would therefore stay a member of the Personnel Committee to maintain equal representation of the Cities.

- For Denton, Chris Watts served as Vice President; however, he, is no longer on the Board, and the Vice President position is vacant. Chris Watts has been replaced by Jesse Davis. Both Bill Cheek and Jesse Davis are eligible to serve as officers and so long as they serve on separate committees, both are each eligible for appointment to the Personnel Committee and Audit & Budget Committee to maintain equal representation of the Cities.

- For Garland, Tom Jefferies and Jamie Ratliff are eligible to serve as Secretary-Treasurer. So long as they serve on separate committees, both are each eligible for appointment to the Personnel Committee and Audit & Budget Committee to maintain equal representation of the Cities.

- For Greenville, Sue Ann Harting served as President for FY21. As long as they serve on separate committees, Sue Ann Harting and Summer Spurlock are each eligible for appointment to the Personnel Committee and Audit & Budget Committee to maintain equal representation of the Cities.

Staff normally does not provide input on the officers' election. The above information is provided based on past practices of officer rotation and ascendency to show how Committee assignments might follow. It is the Board's prerogative to elect officers, and the President's prerogative to make Committee appointments, as they deem advisable.

Officer positions held recently include:

Board Member	City	2021	2020	2019	2018	2017
Sue Ann Harting	Greenville	Pres	VP	Sec		
Chris Watts	Denton	VP				
Tom Jefferies	Garland		Pres	VP	Sec	
Jamie Ratliff	Garland					
Kean Register	Bryan					
David Dreiling	Greenville					Pres
David Bairrington	Bryan		Sec		Pres	VP
Bill Cheek	Denton			Pres	VP	Sec
Summer Spurlock	Greenville					
Buppy Simank	Bryan	Sec				

Committee tenures of the Board Members are as follows:

Board Member	City	Committee Membership				
		2021	2020	2019	2018	2017
Sue Ann Harting	Greenville	Pers - Chair	ABC - Chair	ABC	ABC	ABC
Chris Watts	Denton	ABC - Chair	Pers	ABC	Pers	ABC
Kean Register	Bryan	Pers	Pers	Pers	ABC	Pers
Tom Jefferies	Garland	Pers	Pers - Chair	ABC-Chair	Pers	Pers
Bill Cheek, Jr.	Denton	Pers	ABC	Pers-Chair	ABC-Chair	Pers
Jamie Ratliff	Garland	ABC	ABC	Pers	ABC	ABC
David Dreiling	Greenville			Pers	Pers	Pers-Chair
David Bairrington	Bryan		ABC	ABC	Pers-Chair	ABC-Chair
Summer Spurlock	Greenville	ABC	Pers			
Buppy Simank	Bryan	ABC				

Section 10: Planning & Operating Committee

A Planning & Operating Committee, which will consist (ex-officio) of the Electric Utility Director, or his designate, of each of the Cities of Bryan, Denton, Garland, and Greenville, the Plant Manager, Transmission System Manager, and the General Manager of the Agency, or their designates, shall serve as an advisory committee to the Board of Directors as outlined below. In the event the function of managing the transmission system has been delegated by contract to a Member City, such that the Agency no longer has an employee serving as Transmission System Manager, the Member City may select a person knowledgeable in transmission systems to serve on the Planning & Operating Committee, and such person shall be considered the "Transmission System Manager" as referred to in this Section.

Prior to the annual election of officers of the Board of Directors, the Planning & Operating committee shall elect one of the Electric Utility Directors to serve as Chairperson. The Committee Chairperson's primary duties shall include presiding over Committee Meetings, approving the Meeting agenda, and providing a report at each Board Meeting.

The rotation of the P&O Chairperson is listed below to provide additional information.

Rotation of P&O Chairperson		
P&O Chairperson	**City**	**Year**
Alicia Hooks	Greenville	2020, 2021
Gary Miller	Bryan	2017, 2018 & 2019
Phil Williams	Denton	2016
Jeff Janke	Garland	2015
Phil Williams	Denton	2012 (6/29/12 thru 2014)

An Election for the P&O Committee Chairperson will take place at the P&O meeting scheduled for September 8, 2021.

ACTION
REQUESTED: Elect officers and approve committee assignments.

Bob Kahn
8/11/21

Bob Kahn

September 9, 2021

AGENDA ITEM NO. 13

SUBJECT: Future meeting dates and subjects

DISCUSSION: The date for the next scheduled Board meeting is **December 9, 2021 in Garland**.

TENTATIVE MEETING DATES FOR 2022:

February 10, 2022 – Bryan
June 9, 2022 – Garland
September 8, 2022 – Bryan
December 8, 2022 – Garland