

REIMBURSEMENT AGREEMENT

Contract No. 2026-001

This Agreement is between the CITY OF TUPELO, MISSISSIPPI ("Customer"), a Mississippi municipal corporation, and TOMBIGBEE ELECTRIC POWER ASSOCIATION ("Electric Supplier"), an electric power association organized under Mississippi law.

Customer requests Electric Supplier to construct and install underground electric power for its Woodford Way arterial road project.

To permit Customer to complete its Woodford Way arterial road project, the parties want to cooperate to install underground electrical power within the right of way of the project from the intersection of the Woodford Way with North Gloster Street to its terminus at Barnes Crossing Extended ("**Electrical Supplier Work**").

Customer requests that Electrical Supplier perform the Electrical Supplier Work, and Customer will pay Electrical Supplier the Actual Costs (defined below) incurred by Electrical Supplier for performing Electrical Supplier Work.

The parties want to agree upon the terms and conditions under which Electrical Supplier will perform Electrical Supplier Work, and Customer will pay Electrical Supplier the Actual Costs incurred by Electrical Supplier for performing Distributor Work.

Therefore, the parties agree as follows:

SECTION 1 - TERM

This Agreement continues in effect until the parties have fulfilled all their obligations hereunder.

SECTION 2 - DEFINITIONS

"**Actual Cost**" means, subject to section 5 below, all direct costs (including, but not limited to, planning, design, engineering, surveying, siting, procurement of materials and equipment, and construction), plus applicable overheads, less those costs outlined in Section 5. For convenience only, Electrical Supplier estimates the Actual Cost of Electrical Supplier Work to be approximately \$2,619,979.55 ("**Estimated Amount**").

"**Electrical Supplier Work**" means all the work to be performed by Electrical Supplier described in section 3. Electrical Supplier will perform the Electrical Supplier in accordance with Good Utility Practice.

"**Good Utility Practice**" means any of the practices, methods, and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or practices, methods, and acts that, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Good Utility Practice is not intended to be limited to any particular set of practices, methods, or acts to the exclusion of all others, but rather is intended to include a spectrum of optimum practices, methods, and acts accepted in the electric utility industry.

SECTION 3 - Electrical Supplier Work

Electrical Supplier will perform the following Electrical Supplier Work along the right of way of Customer's Woodford Way arterial road project.

Target Underground Distribution – TEPA# 0-U304-25. Construct and install underground electrical system.

Costs associated with Barnes Crossing Lighting project will be addressed by separate agreement between the parties.

SECTION 4 - COMPLETION DATE

Electrical Supplier will perform Electrical Supplier Work in accordance with plans satisfactory to Customer and on a schedule that the parties' representatives will develop. The expected completion date for Electrical Supplier Work is October 1, 2026, but that date is not binding on the parties.

SECTION 5 - REIMBURSEMENT

After Electrical Supplier completes Electrical Supplier Work in a manner satisfactory to both parties, Electrical Supplier will submit an invoice to Customer (which must reference contract number associated with this Agreement). Customer will reimburse Electrical Supplier for the actual cost incurred, less deductive change orders with Electrical Supplier's contractor, cost savings of overhead power installation vs. underground power and costs associated with fiber installation as a part of the project.

Unless otherwise agreed by the parties in writing, the total amount of reimbursement that Customer will pay Electrical Supplier for Electrical Supplier Work will not exceed the Estimated Amount less any credits. If Electrical Supplier becomes aware that the actual cost will likely exceed \$2,619,979.55, Electrical Supplier must provide written notification to Customer, a revised cost estimate, and an opportunity for consultation with Electrical Supplier regarding the revised cost estimate. Electrical Supplier is not obligated to perform work that exceeds the cap on costs specified in this section 5. Electrical Supplier may elect to suspend the work in question upon written notice to Customer until the parties have resolved the issue.

SECTION 6 - INDEMNITY

Electrical Supplier releases and shall indemnify, defend and hold harmless Customer, its agents, officers, and employees (collectively, "Indemnitees"), from all claims, actions, suits, demands and liabilities (individually and collectively, "Claims") for personal injuries, property damage, or loss of life or property arising out of, or in any way connected to, Electrical Supplier's actions or inactions under this Agreement, including, without limitation, liabilities to Electrical Supplier's employees or any third parties for such injuries or damages, and all expenses and reasonable attorneys' fees incurred by Indemnitees in connection with such Claims.

To the extent allowed by law, Customer releases and shall indemnify, defend and hold harmless Electrical Supplier, its agents, officers, and employees (collectively, "Indemnitees"), from all claims, actions, suits, demands and liabilities (individually and collectively, "Claims") for personal injuries, property damage, or loss of life or property arising out of, or in any way connected to, Customer's actions or inactions under this Agreement, including, without limitation, liabilities to Customer's employees or any third parties for such injuries or damages, and all expenses and reasonable attorneys' fees incurred by Indemnitees in connection with such Claims.

SECTION 7 - NO ORAL AMENDMENTS

No amendment of this Agreement will be effective unless it is both in writing and signed by the parties' authorized representatives.

SECTION 8 - ASSIGNMENT

This Agreement will be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns. This Agreement shall not be transferred or assigned, in whole or in part, without the prior written consent of the other parties, such consent not to be unreasonably withheld.

SECTION 9 - GOVERNING LAW, VENUE, WAIVER OF JURY TRIAL

This Agreement is governed by and will be construed and interpreted in accordance with the State of Mississippi. All claims or disputes related to this Agreement must be filed, prosecuted and litigated to conclusion only in the appropriate court of Lee County, Mississippi. With respect to any such claims or disputes, each party hereby: (1) consents to the exclusive jurisdiction of and venue in that court and waives any objection based on jurisdiction or venue in such court, and 2) to the extent allowed by law, waives jury trial.

SECTION 10 - SEVERABILITY

In the event that any provision of this Agreement is found to be unenforceable under applicable law, the parties agree to replace such provision with a substitute provision that most nearly reflects the original intentions of the parties and is enforceable under applicable laws, and the remainder of this Agreement shall continue in full force and effect.

SECTION 11 - WAIVER OF CLAIMS

A delay or omission by either party hereto to exercise any right or power under this Agreement shall not be construed to be a waiver thereof. A waiver by either party under this Agreement shall not be effective unless it is in writing and signed by the party granting the waiver. A waiver by a party of a right under or breach of, this Agreement shall not be construed to operate as a waiver of any other or successive rights under, or breaches of, this Agreement.

SECTION 12 - COUNTERPARTS AND ELECTRONIC SIGNATURES

The parties may execute this Agreement, including any amendments thereto, in one or more counterparts. Each such counterpart, whether delivered by original paper signature or through any electronic means, is an equally valid original, constitutes one and the same instrument, and binds the parties. The parties may each execute this Agreement, and any amendments thereto, through electronic means and electronic signatures. Such electronic signatures will have the same force and effect as handwritten signatures.

SECTION 13 - BINDING AGREEMENT

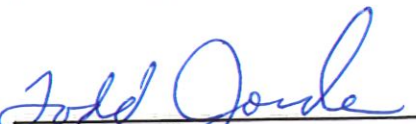
All provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties, their legal representatives, successors and assigns.

SECTION 14 - ENTIRE AGREEMENT

This Agreement represents the parties' complete and final agreement, and supersedes all informal understandings, whether written or oral, relating to the subject matter of this contract.

The effective date of this Agreement is the date of Customer's signature.

CITY OF TUPELO, MISSISSIPPI

By 
Todd Jordan, Mayor

Date: 25 JUN 26

TOMBIGBEE ELECTRIC POWER ASSOCIATION

By 
Scott Hendrix, CEO