

TELL CITY ELECTRIC DEPARTMENT
BOARD OF DIRECTORS
February 15, 2022

The Tell City Electric Department Board of Directors met at 4:00 P.M. All members were present except for JB Land and Bob Kohnert. Mr. Malone presided.

General Manager Andy Hicks was in attendance as was Paige Schank for the Department. No further guests were in attendance.

The Agenda was presented to the Board in written form. No changes were made. A motion was made by Mr. Poole and seconded by Ms. Nance to approve the Agenda as presented. Motion passed 4-0.

Minutes from the January 18, 2022 meeting were presented in written form. Being no corrections, Daum made a motion to approve the minutes, Mr. Poole seconded and the motion passed 4-0.

Committees

Human Resources: Mr. Hicks informed the Board that TCED applied for the American Public Power Association (APPA) Demonstration of Energy and Efficiency Development (DEED) program. The DEED program supplies public power research and development through projects grants and scholarships. TCED applied to receive funding of approximately \$4,000 for a summer intern to work alongside our employees during the June and July 2022 time period. The internship is open to incoming high school seniors that are interested in linework, engineering, accounting or computer information systems. Mr. Hicks has reached out to the guidance councilors at both Tell City and Perry Central to help promote the internship. We have already received one application for the position. TCED will be informed by the end of March whether we are awarded the program's grant and at that time we'll know whether we can move forward with the program.

Financial Matters: The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. Mr. Daum motioned to approve the reserve transfers to the four reserve accounts: \$55,500.00 to the Operating Reserve, \$11,250.00 to the Expansion Reserve, \$1,700.00 to the Waupaca Substation Reserve and \$9,993.47 to the Loan Liquidation Reserve and the Docket. Mr. Poole seconded and the motion passed 4-0. Mr. Malone noted that the Department made money for fiscal year 2021 after all work orders were finalized. He also noted that depreciation expense decreased for the month of January 2022. Mrs. Schank noted that she adjusted the depreciation calculation for 2022 compared to years prior to appropriately reflect assets' useful lives within the calculation. For example, fixed assets still in service, but greater than their useful life, are no longer included in the depreciation calculation as they are fully depreciated. This better reflects the true depreciation expense. Mrs. Schank made note that the purchase power expense seen on the January 2022 financials reflected purchase power consumed in December 2021 and did not have IMPA's 2022 rate imposed upon the figures. She noted that she has received the January 2022 purchase power invoice, which will be seen in the February 2022 financials whereas we are paying approximately \$43,000 more to IMPA for the month, due to their rate change going into effect.

Strategic Planning: Mr. Hicks is actively involved with IMPA in creating a mutual aid program for IMPA members to utilize. There are currently 11 member communities involved on the panel, working with IMPA to create a standardized contract through IMPA for storm or emergency restorations. The goal is to assist communities facing storm/natural disasters that significantly

impacted their system to find the help needed from other IMPA communities quickly, efficiently, and with financial burden known up front. The mutual aid panel has currently broken the state into 4 districts and assigned one point of contact for each district. This is the person communities can call upon for help, and they will organize and send the help needed. The panel would ideally like IMPA to maintain one single point of contact for all of its members. This panel is in the very early stages of discussions, but it appears to be a positive movement for all involved parties.

Current Business

a. Power Supply Report: A copy of the monthly report was distributed. The Department's cost per kWh in January is \$0.073220, Jasper's is \$0.0813970, Huntingburg's is \$0.0778630 and Troy's is \$0.0738610. A monthly comparison of charges from TCED and SIP to Waupaca Foundry Inc. was presented for the Board's review for the month of January consumption. TCED's cost to Waupaca for the January consumption (due in February) invoice was higher than SIP's charge to Waupaca by approximately \$44,000.

b. TCED Communications Towers: The City has taken over the communications tower at the 4-H Fairgrounds. The Department is waiting on a second quote to remove the tower at the Windward Heights Country Club in Kentucky.

c. 5 Year System Study: Mr. Hicks and others from the Department have continued to meet regularly with Spectrum Engineering regarding the design of the substation project. For ease of communication, we are temporarily calling the new substation "Southwest Sub" from here on, until the Board determines another name. Mr. Hicks and Spectrum met with CenterPoint Energy to discuss their requirements during this process as they will take over the 69KV breaker and maintain the equipment going forward. During these discussions, CenterPoint recommended TCED go ahead and build up the substation for two transformers, but only place one transformer at this time, as funds allow. Spectrum is working on specifications for the transformer bid and hope to have those ready by April. Lead-times on the transformer size we are needing could potentially be up to two years, significantly longer than lead-times previously seen. Timing of construction bidding will be reliant on the lead-times received from the transformer bids. It was noted that it might be possible to send off one of Eckley's transformers to get refurbished and save money on the second transformer at the Southwest Sub, once time has come to install the second transformer.

New Business

No new business was presented to the Board.

Other Business

The Board received a letter from Tonya Hagerdon, Office Manager at Perry County Medical Holding, LLC requesting that the \$500 deposit currently on file for 421 7th Street be refunded to Mr. Marcum and a new deposit waived for the two physicians that are currently operating at this service address under the same LLC name. The Board discussed that per our current terms and conditions, all commercial properties must have a deposit on file. The Terms state that deposits at commercial services are applied to the final bill and any remainder balance would be mailed to the name and address on file. The Department would be able to make the account final and refund any remainder of the deposit to Perry County Medical Holding, LLC after the final bill was paid, but a new deposit of \$500 would be required for services to continue at this service address. Therefore,


they are unable to waive the deposit. Motion to uphold the current terms and conditions and have Mrs. Schank send a response to Ms. Hagerdon was made by Mr. Poole and seconded by Ms. Nance. Motion passed 4-0.

It was asked when the Department planned to open back up to the public. We have been consistent with our opening timeframe and once the County leaves the "red" status for 2 consecutive weeks, we will reopen the lobby. We are a small staff with multiple persons who have had adverse side effects from previously having COVID-19. We are doing our best to protect our employees while continuing to provide full services to our community.

Mr. Hicks was contacted by IMPA for the contract extension agreement documentation that was discussed and approved at the City Council meeting. The proper paperwork was not signed at the Council meeting, but will be on the March meeting agenda.

Motion to move the March meeting from March 15, 2022 to March 22, 2022 was made by Ms. Nance and seconded by Mr. Poole. Motion passed 4-0. Mrs. Schank and Mr. Hicks would have both been unable to attend the meeting on March 15, 2022.

There being no other business, Mr. Poole made a motion at 4:55 P.M. to adjourn. Ms. Nance seconded; the motion passed 4-0.


J.B. Land, Chairman


Bob Kohnert, Secretary

