

TELL CITY ELECTRIC DEPARTMENT
BOARD OF DIRECTORS
March 21, 2023

The Tell City Electric Department Board of Directors met at 4:00 P.M. All members were present except for Joe Daum and Donna Nance. Mr. Land presided.

General Manager Andy Hicks was in attendance as was Paige Schank for the Department. Councilmember Larry Kleeman attended the meeting. No further guests were in attendance.

The Agenda was presented to the Board in written form. A motion was made by Mr. Poole and seconded by Mr. Malone to approve the Agenda as presented. Motion passed 4-0.

Minutes from the March 3, 2023 meeting were presented in written form. No changes were noted. Mr. Kohnert made a motion to approve the minutes, Mr. Poole seconded and the motion passed 4-0.

Committees

Human Resources: Mr. Hicks noted that Shane Braunecker is currently at his first lab for his apprenticeship training. In April, both Shane and Jonathan Theis will be attending lab 2.

Financial Matters: The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. Mrs. Schank noted the items of other income for the month of February consisted of billable work on the City phones and motor vehicle accidents, as well as sales of transformers to Cannelton. It was noted that TCED can no longer utilize the sold transformers on our current system. Current profit margin for Troy assistance work is approximately 15%. TCED sent two linemen to assist Southern Indiana Power (SIP) with their outages on March 4th from the March 3rd storm. TCED linemen worked until approximately 1:00 A.M. on March 4th, covering approximately 116 outages on our system. Most of TCED's outages related to trees and limbs. The two linemen who assisted SIP the following day worked approximately 10 hours. Mr. Malone 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 for the month of March. Mr. Kohnert seconded and the motion passed 4-0.

Strategic Planning:

i. Southwest Substation Update: The pad (foundation) is poured, draining is installed and tied into the current City system, and K&K Dirtworks is in the process of trenching the ground grid currently. The pits for the transformer are also being poured. TCED has received the six breakers for the circuits. Two of the breakers delivered with the wrong insulators. While they are operational and passed testing, ABB is sending a technician to make the appropriate adjustments on site. Mr. Hicks has reached out to Pennsylvania Transformers for an estimated timeframe on when the next installment will be due for the transformer. The next installment will be 25% of cost once the steel and cooper are in. From Mr. Hicks's communications, he believes the transformer is still on the expected timeline to be completed in June. The 69KV breaker has been pushed from March to May. Premier bidded out the transmission work, coming in at approximately \$100,000 for the labor. TCED has the capacity and ability to perform this work in house, and will be doing so to save money on the project. The expected completion date for the substation remains in fall of 2023.

Current Business

a. Power Supply Report: A copy of the monthly report was distributed. The Department's cost per kWh in February is \$0.076531, Jasper's is \$0.0942140, Huntingburg's is \$0.0909590 and Troy's is \$0.0904910. A monthly comparison of charges from TCED and SIP to Waupaca Foundry Inc. was presented for the Board's review for the month of February consumption. TCED's cost to Waupaca for the February consumption (due in March) invoice was lower than SIP's charge to Waupaca by approximately \$69,000.

b. 601 Main Remodel – Paint and Carpet: Painting is now complete for the first floor and the Bosses Title section of the second floor. TCED is very happy with the work performed by Shelby Doss. Carpet was awarded after the previous meeting and the down payment for materials was presented to Interior Designs. Estimated timeframe for carpet work is late April.

c. Lighting Project at 7th Street Apts: TCED has ordered the 7 decorative lights from the previous meetings discussion as well as 3 additional to keep in stock for replacements. Funding for this project will remain on the April Board meeting.

d. Troy Assistance Update: No additional work has been performed since the previous Board meeting.

e. Resolution R230321A – IMPA Economic Development Rider: The Board was presented with the IMPA Economic Development Rider (EDR) resolution as discussed in the previous meeting. The current EDR expires at the end of the year. The resolution is a renewal of the current EDR and has no cost implications to TCED. The EDR is a potential benefit to TCED customers who meet the criteria as specified in the rider. Criteria consists of industries who add a specific amount of megawatts or invest a specified dollar amount into their business will see a discount from IMPA per the EDR schedule. The details of the EDR are included within the Board Meeting Materials file. TCED's job is to ensure IMPA is aware of any TCED customer who could benefit from the EDR. Currently, our E2 customer has the potential to qualify. Motion to approve R230321A was made by Mr. Malone and seconded by Mr. Poole. Resolution passed 4-0.

New Business

a. Waupaca Substation Reserve Increase: The current substation breakers, CTs, and PTs need replaced at the Waupaca substation. This will be a joint project with Southern Indiana Power (SIP), designed by Hoosier Energy. Mr. Hicks and members of the Department have held joint meetings with SIP whereas they are proposing the replacement of all necessary items to take place over a four year span. As currently proposed, the first year will consist of the five main breakers being replaced for a total cost of approximately \$500,000. TCED will be responsible for half of this cost, at \$250,000 in year one. Projected costs for TCED's share during years two, three and four will be \$200,000 each year. Current funding into the Waupaca reserve is \$1700/month. Mrs. Schank recommends increasing the Waupaca reserve funding to \$20,000/month beginning in January 2024 to fully fund the project. Current balance of \$282,000 and the additional \$20,000/month for three and a half years will leave the Waupaca reserve with a balance of \$272,000 at the end of the \$850,000 project. Mr. Poole made the motion to increase funding to the Waupaca reserve to \$20,000/month beginning January 2024. Mr. Kohnert seconded and the motion passed 4-0. Mrs. Schank will include this change in the 2024 budget.

b. Resolution R230321B Uncollectible Accounts: A motion was made by Mr. Malone and seconded by Mr. Poole to approve the Resolution presented for uncollectible accounts in the amount of \$10,265.32. Motion passed 4-0.

c. Chamber 2023 Membership: The Board approved the renewal of the Department's membership into the Perry County Chamber of Commerce and the Legend Sponsorship for a total expense of \$1,275 for the year 2023. Mr. Hicks noted the different levels of sponsorships now available as a Chamber member. The Legend Sponsorship is the mid-tier level at \$1,000 and is close to the previous sponsorship amount of \$750. Mr. Malone motioned to approve the donation to the Chamber for the \$275 Membership fee and \$1,000 Legend Investor Sponsorship for a total of \$1,275. Mr. Poole seconded and the motion passed 4-0. as well as the transfer of funds to the Promotional Fund of \$1,025 to cover the 2022 Chamber fees and sponsorship. Mr. Poole seconded and the motion passed 6-0.

i. Transfer funds to Promotional Account for 2023 Chamber Donation: Mr. Kohnert made the motion, seconded by Mr. Malone to transfer the \$1,275 needed for the 2023 Chamber Donation into the TCED promotional fund held by the City for payment of said Chamber donation. Motion passed 4-0.

Mr. Kohnert made a motion, seconded by Mr. Malone at 4:46 P.M. to adjourn to Executive Session to:

Discuss personnel matters.

The motion passed 4-0.

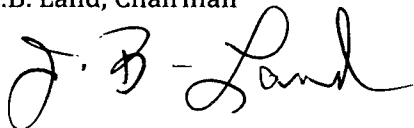
At 4:54 P.M. Mr. Poole made a motion to adjourn the Executive Session and return to Regular Session. Mr. Kohnert seconded and the motion passed 4-0.

Other Business

a. Resolution R230321C General Manager Merit: The Board discussed the General Manager's merit bonus for 2022, payable in 2023. The Board appreciates the work the General Manager has accomplished in 2022, the relationships he has formed, the community outreach performed, the networking to other Cities and assistance contracts signed and numerous other accomplishments. Motion to approve Resolution R230321C General Manager Merit was made by Mr. Kohnert and seconded by Mr. Poole. Motion passed 4-0.

There being no other business, Mr. Kohnert made a motion at 5:14 P.M. to adjourn. Mr. Poole seconded; the motion passed 4-0.

J.B. Land, Chairman



Bob Kohnert, Secretary

