

TELL CITY ELECTRIC DEPARTMENT  
BOARD OF DIRECTORS  
December 19, 2023

The Tell City Electric Department Board of Directors met at 4:00 P.M. All members of the Board were present except for Mr. Poole. Mr. Land presided.

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

The Agenda was presented to the Board in written form. Mr. Hicks requested to add "Interns" under the Human Resources section. A motion was made by Mr. Kohnert and seconded by Mr. Daum to approve the Agenda as amended. Motion passed 5-0.

Minutes from the November 21, 2023 meeting were presented in written form. No changes were noted. Ms. Nance made a motion to approve the minutes, Mr. Daum seconded and the motion passed 5-0.

Committees

Human Resources:

i. Community Involvement: Employees of TCED continue to help unload the truck for the food pantry on the third Wednesday of every month. Table of Blessings for 2024 is scheduled. This Friday, December 22<sup>nd</sup> from 9-11am we will be hosting pictures with Santa, cookies, candy canes and volunteers from the Isaiah 117 House will be onsite with a hot chocolate bar. This event will be open to the public and set up in the PCDC conference room.

ii. Interns: TCED had three interns this summer, two from Tell City and one from Perry Central. Two of the interns want to go into line work while the other has interest in the electrical field. Mr. Hicks received an email from the intern from Perry Central thanking TCED for the opportunity, providing the areas of the work he has enjoyed, and stated that he looks forward to rejoining the crew next semester.

Financial Matters: The Financial Reports, Working Fund Report, Liquidity Report and Docket were presented and discussed. 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 November. Mr. Kohnert seconded and the motion passed 5-0.

Strategic Planning:

i. Southwest Substation Update: Premier Power is putting the filtration around the oil containment system. They will have employees here next week to finish the work with the following week being equipment inspections by Entrust. The underground exit feeders and insulators are scheduled to be here by end of January. The supplier for the wire reached out and said it was scheduled to be shipped within 3 weeks. The operations staff are building out the circuits. The substation is still expected to be online by the first quarter of 2024.

ii. E2 Customer Substation Update: Mr. Hicks continues to meet with the joint operating committee and the E2 customer regarding the new substation, the transformers and the breaker upgrade. He let the representative from the E2 customer know that the Board was find with being the operating authority over the transformers that they owned within the new substation. Mr. Hicks has also assisted them in obtaining quotes for the transformers. The Board inquired of the grants that the Department was previously working on with IMPA, those grants were not acquired. The E2 customer had malfunctions over the weekend, but it was not related to any TCED equipment. The breakers have been ordered by Hoosier with a 45-50 week lead time. Payment to Hoosier will not be due until work is completed in the first half of 2025. TCED will continue to begin allocating the additional funds to the E2 reserve in January 2024 and will be ahead of schedule for the first payment in 2025.

### Current Business

a. Power Supply Report: A copy of the monthly report was distributed. The Department's cost per kWh in November is \$0.081197 Jasper's is \$0.096860, Huntingburg's is \$0.01003150 and Troy's is \$0.0914920. A monthly comparison of charges from TCED and SIP to Waupaca Foundry Inc. was presented for the Board's review for the month of November consumption. TCED's cost to Waupaca for the November consumption (due in December) invoice was more than SIP's charge to Waupaca by approximately \$5,000. Year to date, TCED's bill is approximately \$293,000 lower than SIPs.

b. Troy and Cannelton Assistance Update: TCED did assist Troy or Cannelton in the month of November. TCED has presented the renewal service contract to the City of Troy and is ready to discuss the future of that contract once the representatives of Troy reach out.

c. Review TCED and the City of Tell City's PILOT Calculation: The Department provided the Board with the payment figures from the previous five years as well as three examples of payment options to consider. The first option was the calculation of PILOT based on the figures currently on TCED books for land and buildings, second being the estimated current value of our land and buildings with the twenty percent tax credit as previously calculated, and the third being the current value without the twenty percent credit. These figures ranged from \$15,000 to \$116,000. According to Indiana Code Section 8-1-2.2-22, no property of a municipality used or useful in the generation, transmission and distribution of electric power and energy shall be subject to payments in lieu of taxes. The Board and the Department both feel that a fixed figure would be the best route to take in regards to the PILOT payment to the City going forward and are considering what the City has budgeted to receive in 2024 and other criteria to build into the PILOT ordinance. This calculation will be placed on the January 2024 Board meeting so the Board can continue to review the topic before presenting the decision to the City and the legal department for the ordinance to be written. Mr. Hicks will discuss with the Clerk-Treasurer to see what figure the City budgeted for TCED's 2024 PILOT payment.

d. Certificate of Deposit Information: Mrs. Schank presented the Board with the information from German American for a 9 month certificate of deposit. The Departments current interest rate on our checking account is 2.9%. A 9 month certificate of deposit's current rate is 5.1% and is locked in once invested. The Department has approximately \$1M in outstanding purchases, primarily being the remaining cost of the southwest substation and the previously ordered bucket truck. Current operating reserve balance is approximately \$2.6M and expansion reserve balance is \$1.7M. By moving the balance of the expansion reserve into a 9 month CD at German American with a rate of 5.1%, the Department will earn an additional \$3,200 per month in interest. The Board discussed the possible need to withdrawal the funds within the 9 month time period for various reasons and

determined that if it came to needing the funds immediately, we would just be forced to pay the penalty. Motion to transfer the entirety of the expansion reserve balance as of 12/21/2023 of \$1,706,315.93 into a 9 month certificate of deposit at German American Bank was made by Mr. Daum and seconded by Mr. Malone. Motion carried 5-0. Mrs. Schank will reach out to German American and the Clerk-Treasurer to initiate the transfer on 12/21/2023.

### New Business

a. Transfer of \$1,954.45 from IMPA Street Light Grant Reserve to Regular Checking Account for 2023 Energy Efficiency Uses: Grant money utilized by the City for replacement of the four outside lights at City Hall above the exit doors for \$818.90 as well as breakroom light replacements at City Hall for \$1135.55. Mr. Kohnert made the motion to approve this transfer. Ms. Nance seconded and the motion carried 5-0.

b. Review TCED and the City of Tell City's PILOT Calculation: Incorrectly duplicated on agenda from Current business section.

c. Habitat for Humanity TCED Property Request: Representatives from Perry County's Habitat for Humanity have reached out to Mr. Hicks regarding one of TCED's properties down by the Eckley Substation for possible donation. The lot in question currently holds the poles utilized for climbing training and rodeo practice. The Department has had plans to relocate these poles to the lot next to the Southwest Substation. The lot in question is directly next to an empty lot that Habitat has current plans on building on. Mr. Hicks sees no future needs for the lot as once Eckley Substation is decommissioned, the Department will have that open lot available for any building needs. Ms. Nance made a motion to sell the current rodeo lot to the Perry County Habitat for Humanity for the total of \$1.00. Mr. Daum seconded and the motion carried 5-0. Property details are as followed: State parcel/property number per Perry County GIS: 62-13-31-017-227.005-007, legal description: 009-01039-00 LOTS 7 & 8 BLK 17, address 926 4<sup>th</sup> Street Tell City, IN 47586, local parcel number: 0090103900, routing number: 007-031-005.

d. Resolution R231219A Uncollectible Accounts: A motion was made by Mr. Kohnert and seconded by Mr. Malone to approve the Resolution presented for uncollectible accounts in the amount of \$12,204.30. Motion passed 5-0.

e. Election of TCED Board Officers for 2024: All current officers noted that they would be willing to continue in their elected position for the upcoming fiscal year: Chairperson – Mr. Land, Vice Chairperson – Mr. Malone, Secretary – Mr. Kohnert. Committees were discussed and nominated as follows: Human Resources – Mr. Hicks, Mr. Land, Mr. Malone, Strategic Planning – Mr. Hicks, Mr. Land, Mr. Kohnert, and Dispute Resolution – Mr. Hicks, Mrs. Schank and Mr. Kohnert. A motion was made by Ms. Nance and seconded by Mr. Daum to approve the positions and committees as previously listed for the year 2024. Motion passed 5-0.

f. General Manager and Employee Bonds: The Bonds as prepared by German American Bank were presented for Board signature. Mrs. Schank will ensure these bonds are recorded at the court house. These are annual renewal bonds. Motion to approve the bonds was made by Mr. Malone and seconded by Mr. Kohnert. Motion carried 5-0.

g. 2001 Ford Ranger Disposal: The City has previously asked for the 2001 Ford Ranger that sits in the parking lot at 601 Main if the Department no longer had use for it. This past agreement feel

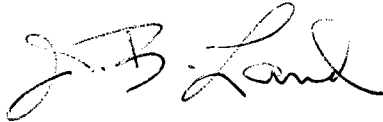
through as the City, at the time, no longer had need for it. The street department superintendent has now asked Mr. Hicks if they would be able to transfer the title to the City for use within the street department. It currently gets driven by TCED employees very rarely and does have some cosmetic issues. The vehicle is labeled Unit 1114 by Tell City Electric. Motion to sell Unit 1114, the 2001 Ford Ranger owned by Tell City Electric to the City of Tell City for \$1.00 was made by Ms. Nance and seconded by Mr. Daum. Motion carried 5-0.

Other Business

The previously ordered bucket truck is in the process of being built, with an expected inspection date at the end of January. The representative from Altec let Mr. Hicks know that a program/ordering package was being designed to better support municipalities in their buying process. This program would allow municipalities to purchase with much shorter lead times than are currently being seen, estimating around two year turn arounds with pricing much lower than quoted in recent years. The Board requested truck purchasing be added to the January 2024 meeting.

There being no other business, Mr. Kohnert made a motion at 5:03 P.M. to adjourn. Mr. Daum seconded; the motion passed 5-0.

J.B. Land, Chairman

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Bob Kohnert, Secretary

Handwritten signature of Bob Kohnert in cursive script.