

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF KANKAKEE VALLEY R.E.M.C.

The regular monthly meeting of the Board of Directors of Kankakee Valley Rural Electric Membership Corporation pursuant to notice, was held Monday April 11, 2022, in Wanatah, Indiana, at the headquarters office and commencing at approximately 6:35 p.m. Directors present were Mike Yankauskas, Dave Janney, Bill Bohling, Russell Guse, and Chris Birky. Directors, Dean Moretton and Katrina Harper, appeared remotely. CEO, Scott Sears, Corporate Counsel, Timothy Krsak attended in-person. The meeting was called to order with Mike Yankauskas presiding as President/Chairman and these minutes of the meeting were transcribed by Secretary Bill Bohling. The following proceedings were had.

Consent Agenda

All consent agenda items were reviewed by the Board. On motion duly made and seconded, the consent agenda matters were approved and accepted by the Board, including the March 2022 Board of Directors Meeting Minutes subject to revision, bills to be paid, new members and bad debt write offs in the amount of \$2409.21.

Next Meeting

The next board meeting was set for Tuesday, May 17, 2022, at 6:30 pm.

Financial Reports

The financial reports for the month ending February 2022 were presented by Scott. Total Operation and Maintenance expenses for the month were \$2,517,448.00. Year to date operation and maintenance expenses are \$5,283,097.00. The Net Margins for February 2022 were \$413,713.00 and annual accumulated Net Margins as of February 2022 were \$481,194.00. As of February 2022, \$9,200,271.00 in plant construction was in progress. TIER, OTIER, DSC, ODSC & MDSC at acceptable levels. Upon motion duly made and seconded, the board accepted the Financial Report.

Operations, Safety, and Interruption report

Scott presented the Operations, Safety, and Interruption Report. Porter West circuit is 85% complete. The breaker change out system improvements were in progress with seven left to complete. The Morgan East is in Phase 1 with wire pulling ongoing. Fiber make-ready work for Phase 2 is ongoing. The Morgan Substation upgrade is set to be completed when parts are received, and the Whispering Pines Substation upgrade is on hold. The Porter Substation transformer has been delivered and will be installed when Whispering Pines is completed. There were twenty-four rotten poles replaced and six new services were installed. Phase 1 of the fiber build is 99% complete with a bad spot in Kouts needing located and repaired. Phase 2 is in progress with 76% of the strand installed. Engineering is complete for Phase 3. AMI meters deployment is set to start in April.

There were no incidents or injuries for March. The March safety meeting was on ladder safety while also tools and equipment were inspected.

There were seven significant outage events in March. There were 46 total outage events totaling 6,090 interruption minutes affecting 681 members for March 2022. Upon motion duly made and seconded, the board accepted the Operations, Safety, and Interruption Report

NRECA

The NRECA Legislative Conference is set to occur in Washington D.C. on May 1st through May 3rd. Dean Moreton and Scott Sears are to attend. The NRECA Director's School is set for June 3rd through June 7th in Charleston, South Carolina. Upon motion made and duly seconded, the Board approved Katrina's attendance at the NRECA Director's School.

The annual NRECA Director's Conference was held in Austin, Texas. Mike attended and discussed the information that was presented at the Director's Conference.

ACES Annual Member Conference

The ACES Annual Member's Conference is set to occur in Indianapolis, Indiana on June 2nd and June 3rd. Mike, Dean and Scott confirmed that they are going to attend.

CFC Forum

The CFC Forum is set to be held from June 3rd through June 7th in Boston this year. Upon motion made and duly seconded, the Board approved Scott's attendance at the CFC Forum. Upon motion made and duly seconded, the Board approved Scott as the CRC Voting Delegate.

WVPA

Dave presented the current issues and matters going on at WVPA. The April board meeting and the 60th WVPA annual meeting, which is set to be held on Wednesday April 13th, 2022, had not yet occurred. The WVPA hired Jeff Conrad as their new CEO. Discussion was held regarding WVPA's continued under-collection and increased rate charges to be charged to its members.

IEC

Nothing to report.

Policies

Upon changes presented to the Board for review, the following policies were modified on motion duly made and seconded:

- A. G-2: Community Room
- B. G-14: Petty Cash
- C. G-18: Standards of Right-of-Way Maintenance
- D. E-47: On-Call Personnel Policy

Upon attorney review and discussion with the Board, the following policy was to be codified into the Rules and Regulations and be modified:

- A. G-15: Privacy and Confidentiality

Legal

Corporate Counsel provided the legal update. Depositions in the Williams matter are ongoing with party depositions nearly complete. Executive session was called to discuss a potential litigation matter.

CEO Report

Scott presented the CEO's report. The Fiber Loop Surf Communications approved lease agreement for fiber from Wanatah to Kouts with discussions on future use for Hanna. Awaiting a proposal from eX2. LaPorte Broadband taskforce meeting is scheduled for April 22nd.

There were \$420,706 in plant additions for the month of February 2022 with year-to-date additions of \$898,174.

WVPA

Special Board meeting was held on March 22nd. A Tracker Committee Meeting was held on April 5th. The estimated increase in power cost to the REMC for 2022 is expected to be \$1,202,901. Discussion was held as to having the REMC implement a tracker to cover the increased power costs. Upon motion made and duly seconded the Board approved implementation of a tracker to cover the increased power costs from the WVPA.

The Power Supply Committee Meeting was held on April 8. The Manager's Meeting was set for April 12th. The annual meeting is set for April 13th. The Risk Oversight Committee Meeting is set for May 10th.

IEC

House Bill 1002 eliminated utilities receipts tax. Discussion was held concerning the REMC implementation in August. IEC completed the Property Tax Valuation and Equalization Study. This will result in estimated savings of \$128,068 for 2022. An ERP exercise was held on March 16th. Scott to attend RESAP observer training on May 11th and May 12th. There is a manager's meeting set for April 19th and a board meeting set for April 20th.

KV engineering department is developing a standby power service plan for Mammoth Solar.

Hoosier Solar had an informational meeting scheduled with the Starke County Chamber of Commerce on March 31st, 2022. A request to the consulting engineering firm was sent for site plans.

The Dunn's Bridge Solar project is being investigated for possible impact on REMC operations.

The directorship meeting was held on March 15th. No new director candidates completed election packets. Discussion was held regarding the financial impact of not needed to have elections this year.

Federated settled the claim for Unit #40 which was a total loss. No lost time award information was submitted.

A STAR meeting is set to be held on April 29th at the Fulton County REMC and will include a tour of their solar/battery project.

Member engagement included a high voltage demonstration at the Porter County Expo Center. Alissa attended the Valparaiso University Career Fair. A \$200 banquet sponsorship was provided to the East Porter FFA. The 2022 Hops for Hospice sponsorship opportunity was presented to the Board for discussion. Upon motion duly made and seconded, the Board approved a sponsorship to the Hops for Hospice in the amount of \$2,500.

Rate Schedule Updates were presented to the Board for review. Upon motion made and duly seconded, the Board approved the rate schedule updates retroactive to January 1st, 2022. Upon motion made and duly seconded, the Board approved the Rate Schedule Update affecting Gary Poppins subject to revision of language as suggested by Corporate Counsel.

Old Business/New Business

None. On motion duly made and seconded the meeting was adjourned at 9:30 p.m.



Bill Bohling, Secretary/Treasurer



Mike Yankauskas, Chairman

Date Approved: March 17th, 2022