

# ILLINOIS MUNICIPAL ELECTRIC AGENCY

## REPORT OF EXECUTIVE BOARD MEETING

WEDNESDAY, OCTOBER 17, 2018

A regularly scheduled meeting of the Executive Board of the Illinois Municipal Electric Agency was held at the IMEA headquarters building, 3400 Conifer Drive, Springfield, Illinois on October 17, 2018.

Chairman Greg Hazel called the meeting to order at 2:00 p.m. Roll call was taken which showed a quorum was present. The Report of August 22, 2018 was moved for approval by Tim Birk, seconded by John Hodapp. The motion was carried by unanimous voice vote.

Opportunity for Public Comment: Chairman Greg Hazel stated that pursuant to the Open Meetings Act, any person in attendance at a meeting shall be permitted an opportunity to comment. He then asked if anyone would like to make a comment and hearing none, the meeting continued. CEO Kevin Gaden then introduced CFO Bob Childers' replacement, Chris Wise. Chris began his employment with IMEA on Monday, October 15 and his title is Vice President & CFO. Bob Childers plans to retire in the first quarter of 2019. He also recognized Lucy Podlesny from Naperville, Dave Miller from Carlyle and Dave Thompson from Flora. Gaden then introduced Jesse Carlton, Public Works Coordinator, as the new Board member representing Mascoutah.

### OLD BUSINESS

Proposed Change in Ameren Wholesale Distribution Service (WDS) Rate – CEO Kevin Gaden reported that Ameren notified IMEA that they plan to update IMEA's Wholesale Distribution Service (WDS) rates on June 1, 2019. Staff has had two calls with the Coop group who have previously worked together in 2011. IMEA worked closely with this group to push down a proposed substantial rate increase in 2011. The outcome reduced IMEA's Ameren WDS rate by 70% from the proposed rate which resulted in a multi-million dollar refund.

CEO Gaden stated that staff along with the Coop group met with the Senior VP of Transmission (SVP) at Ameren and he has agreed to set up meetings to review analysis and seek to find common ground with Todd Masten from Ameren leading this effort. Technical and legal positions are currently being considered to approach these negotiations by IMEA and other customers.

Ordinance 18-10-816 – Amending and Restating Policy to Prohibit Sexual Harassment Pursuant to Public Act 100-0554 for Officers, Directors and Employees of IMEA– General Counsel Troy Fodor reported that Public Act 100-0554 required local government units to adopt an ordinance establishing a policy prohibiting sexual harassment by January 15, 2018. On December 2017, the IMEA Board passed Ordinance 17-12-810 prohibiting sexual harassment and establishing policy, which applied to Board members and employees, as well as any agents. Staff is recommending an amendment to the Confidential Consultation provision of the policy. This

amendment includes deletion of the concept of one male and one female employee to offer confidential consultation and replace it with the Illinois Dept. of Human Rights Sexual Harassment hotline as an opportunity for an independent third party to act as the confidential consultation. Staff has also rolled the provisions of the sexual harassment policy into the IMEA Employee Policy and Procedures Manual. Tom Bruhl made a motion approving the Ordinance and Dick Simon seconded the motion which passed by a unanimous roll call vote.

Resolution #18-10-817 - Approving Baker Tilly Virchow Krause, LLC to Perform Audit of Fiscal Year Ending April 30, 2019 – Bob Childers stated Baker Tilly’s engagement letter shows a 3.0% increase over last year’s audit fee and stated this amount continues to be very low compared to other joint action agency fees for such service. Baker Tilly will also perform IPEA’s audit at the same time as IMEA’s audit in June. John Hodapp moved to approve this resolution, seconded by Tom Bruhl. The roll call vote showed all in favor.

Resolution #18-10-818 – Approving IMEA Regulatory Asset Related to PJM Capacity Costs – CFO Bob Childers reported on the net revenue from the ICTRs awarded to IMEA as a result of the PJM auction and how it would affect the future average cost projections. He presented a graph outlining the member average cost projection over the next 4 years. Childers recommended creating a regulatory asset and deferring some of the cost of fiscal year 19/20 and 20/21 which would be reversed in 21/22 when IMEA received the ICTR revenue to offset. The objective is to level out the member supply cost over a three-year period to reduce a price spike. Tom Bruhl moved to approve this resolution, seconded by Dick Simon. The roll call vote showed all in favor.

Chairman Greg Hazel asked for a motion to adjourn the meeting. The motion was made by John Hodapp, seconded by Tim Birk and carried unanimously. The meeting was adjourned at 2:33 p.m.

Respectfully submitted,



Assistant Secretary/Treasurer

## ILLINOIS MUNICIPAL ELECTRIC AGENCY

**EXECUTIVE BOARD MEETING  
WEDNESDAY, OCTOBER 17, 2018**

**MEMBERS PRESENT**

|             |             |
|-------------|-------------|
| Carlyle     | John Hodapp |
| Rantoul     | Greg Hazel  |
| Rock Falls  | Dick Simon  |
| St. Charles | Tom Bruhl   |
| Waterloo    | Tim Birk    |

**MEMBERS ABSENT**

|            |                  |
|------------|------------------|
| Carmi      | David Coston     |
| Highland   | Dan Cook         |
| Metropolis | Rick Abell       |
| Peru       | Mayor Scott Harl |

**OTHERS PRESENT**

|            |                                    |
|------------|------------------------------------|
| Altamont   | Larry Taylor                       |
| Carlyle    | Dave Miller                        |
| Chatham    | Shane Hill                         |
| Flora      | Bob Coble & Dave Thompson          |
| Freeburg   | John Tolan                         |
| Marshall   | Cory Sheehy (via teleconference)   |
| Mascoutah  | Jesse Carlton                      |
| Naperville | Mark Curran & Lucy Podlesny        |
| Princeton  | Jeff Mangrich (via teleconference) |
| Red Bud    | Josh Eckart (via teleconference)   |
| Winnetka   | Brian Keys                         |
| IMEA       | Kevin Gaden                        |
| IMEA       | Troy Fodor                         |
| IMEA       | Bob Childers                       |
| IMEA       | Chris Wise                         |
| IMEA       | Alice Schum                        |
| IMEA       | Mike Genin                         |
| IMEA       | Kevin Wagner                       |
| IMEA       | Shadi Ahanchi                      |
| IMEA       | Rakesh Kothakapu                   |
| IMEA       | Glenn Cunningham                   |
| IMEA       | Adam Baker                         |
| IMEA       | Cindy Evans                        |
| IMEA       | Chris Jewell                       |
| IMEA       | Staci Wilson                       |
| IMEA       | Maryann Todd                       |
| IMEA       | Ed Cobau                           |
| IMEA       | Tammy Hall                         |