

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
NOVEMBER 30, 2016**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, November 30, 2016. The meeting was called to order by Mr. Akers at 4:00 p.m. pursuant to notice as required by law. The following Board members were present: S. Akers, M. Costin, G. Ward, Dr. J. Crawshaw, and Jami Edwards. Others present: J. Pandy, B. Tillett, L. Starkey, L. France, J. Chance, J. Languell-Council Liaison, and A. Lombardi-Peru Tribune.

Mr. Pandy introduced Board members and staff to the incoming Peru Tribune reporter, Anthony Lombardi.

1.) APPROVAL OF BOARD MINUTES OF NOVEMBER 9, 2016:

On a motion from Ms. Costin, seconded by Mrs. Edwards the minutes from November 9, 2016, were approved. The motion carried unanimously.

2.) PAYMENT OF CLAIMS:

A motion was made by Ms. Costin to approve the claims as presented. Dr. Crawshaw seconded the motion and the motion carried.

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, December 14, 2016, at 4:00 p.m. in the Utility Service Boardroom.

Mr. Pandy will be out of the office the week of December 26th. During his absence, Mrs. Starkey will conduct the December 28th Utility Service Board meeting; the 2017 Budget will be presented at that meeting for consideration. Mr. Beisiegel will be acting General Manager for the period of 12/22/16 through 1/3/17.

4.) OLD BUSINESS: None

5.) NEW BUSINESS:

A.) APPROVAL OF 2017 SERVICE BOARD MEETING DATES:

Dr. Crawshaw moved to approve the 2017 Service Board meeting dates as scheduled, seconded by Mr. Ward. The motion carried.

B.) APPROVAL OF REVISED VEHICLE TRAVEL POLICY:

Mr. Pandy reported the reason for revising the Vehicle Travel Policy is for stand-by duty employees (electric and water) to have a take home vehicle. We have staff who live in Bunker Hill, which is towards the southern end of our service. In the event, we have an outage on the South side of Peru they would have too much travel time into town to pick up the vehicle and drive to the outage. The revised policy will allow them to take the on-call vehicle home, and permit them to transport family members if they are in route to

personal matters; there is no point in having our vehicles traveling back and forth.

Dr. Crawshaw requested that the Vehicle Travel Policy allows more than one personal phone call per day and suggested that the policy state emphasis on allowing a person to call home if needed. He stated that there could be emergency situations where an employee would need to contact home more often.

Dr. Crawshaw made a motion, seconded by Mrs. Edwards to approve the revised Vehicle Travel Policy, subject to corrections: (1) state emphasis on allowing a person to call home if needed, (2) state that the General Manager will approve and sign Board members expense forms. The motion carried.

C.) APPROVAL OF REVISED POLICY #2-98, PROHIBITING SMOKING IN AND ON ALL PROPERTIES AND VEHICLES OWNED BY PERU UTILITIES:

Mr. Pandey stated that the revised policy allows our employees to smoke in their vehicles on company property provided that no smoke affects any adjacent vehicle. He said that he just found out today that there is a city ordinance that bans all smoking on city property and in city vehicles. He read **Ordinance 33.061 SMOKING:** *Use of tobacco products is prohibited on all city-owned property and vehicles.* Mr. Pandey interpreted our policy to be that if they are in their personal vehicle they are really not standing or occupying city property.

Dr. Crawshaw noted that according to Mayo Clinic electronic cigarettes should not be allowed in a confined area, such as a car or anything else; the vapor remains and is a transmittable medium. He noted that in 2017 the FDA will be issuing warnings; from a health standpoint electronic cigarettes are not safe; he asked that the revised policy note that verbiage that electronic cigarettes are not permitted.

Dr. Crawshaw made a motion to approve and amend the revised policy #2-98 and add verbiage that “electronic cigarettes are prohibited”. Mr. Ward seconded the motion and the motion carried.

D.) APPROVAL OF REVISED POLICY #4-09, PER DIEM POLICY:

It was noted that the current policy was adopted in 2009. Mr. Pandey requested Board approval to increase the allowable meal per diem as follows:

Current Meal Per Diem

Breakfast \$7.50
Lunch \$7.50
Dinner \$20.00

Revised Meal Per Diem

Breakfast \$10.00
Lunch \$15.00
Dinner \$25.00

Dr. Crawshaw made a motion to approve revised Policy #4-2009, increasing allowable meal per diem amounts. Ms. Costin seconded the motion. The motion passed.

E.) APPROVAL OF JOB DESCRIPTION FOR THE GENERAL MANAGER:

It was noted that the General Manager position never had a job description on file. In light of this, a description was created based on other Public Power Association job descriptions for General Managers. The language on Page 5, under “Assigned Responsibilities” include: execute (sign) contracts and agreements, which have been approved by PUSB and to authorize capital projects pursuant to the PUSB approved Capital Budget up to \$25,000 (above \$25,000 require authorization by PUSB). Mr. Pandey stated that having the General Manager signature only for contracts/agreements will help to provide administrative simplicity. The Peru Utilities Service Board Policy of 8/6/94 notes under Section 5: Signing and executing legal instruments which are necessary to conduct operations or to carry out the decisions of the Board. This includes purchase orders, contract, easements, leases, and permits. Mr. Pandey felt that our policies and job descriptions should be consistent. There was a lengthy discussion; the Board decided to table the matter until the City Attorney could review the documents for a clear answer.

Ms. Costin made a motion to table “Approval of Job Description for the General Manager” until the City Attorney reviews the job description and the Board policy to guide the Board for a clear answer on whether or not contracts/agreements need only to have the General Manager’s signature or the Chairman’s signature, or both. Dr. Crawshaw seconded the motion and the motion carried.

F.) REQUEST TO VACATE ALLEY AT FULTON & HARRISON:

Normally the General Manager would review this kind of requests and vacate the alley, since there are no obstructions on the property, rather than present such issue to the Board each time they arise. The Board discussed who should sign easements or to acquire, vacant or modify an alley. The Board was in agreement that the General Manager’s signature is all that is needed for such requests relative to easements.

G.) RESOLUTION #5-2016, AUTHORIZATION FOR PAYROLL TO DEPOSIT THE CURRENT DESIGNATED PERF PERCENTAGE TO A HOOSIER S.T.A.R.T ACCOUNT IN THE GENERAL MANAGER’S NAME:

The Board reviewed a resolution directing that the same amount previously deposited into PERF for the General Manager’s behalf be deposited into a Hoosier S.T.A.R.T. account under the General Manager’s name. Mrs. Starkey verified that there would be no additional expense to the Company.

Mr. Crawshaw made the motion to deposit the same amount of money as PERF and place into a Hoosier S.T.A.R.T. Fund for the General Manager, effectively immediately. Mr. Ward seconded the motion. The motion carried.

H.) FLSA COMPLIANCE & RANGE ADJUSTMENTS:

Mrs. Starkey provided a report of wage and range changes implemented due to changes in the Fair Labor Standards Act that had a mandated a compliance deadline of December 1, 2016, and to merit increases. The changes were discussed with the individuals prior to an unexpected hold the federal government placed on the FLSA regulations at the final hour. There was a discussion and the Board was in agreement with the wage and range changes.

Dr. Crawshaw made a motion that wage and range adjustments be approved. The motion was seconded by Mrs. Edwards and carried.

I.) APPROVAL OF POWER PLANT DEMOLITION CONTRACT WITH NATIONAL SALVAGE:

Mr. Pandey stated that the Board had approved the award of the contract at the previous meeting; the Board now needs to approve the contract document. The contract document will be introduced to the Common Council for consideration at the December 5th meeting.

Mrs. Edwards made a motion to approve the Contract with National Salvage for remediation, demolition, and restoration of the former Peru Utility Power Plant for the amount of \$2,684,000.00. Mr. Ward seconded the motion. The motion carried unanimously.

6.) CITY ADMINISTRATION UPDATE: None

7.) CITY ATTORNEY’S UPDATE: None

8.) MANAGER’S REPORT:

(1) IMPA WHOLESALE POWER BILL:

The IMPA power bill for October 2016, is \$118,140 above last year, same month; our load factor is below last year. Our staff continues to investigate the source of the low Load Factor. We are also working with the electric department to reduce voltages which will help to improve our load factor. Mr. Pandey referenced the Customer Average Energy/Demand list. He noted that we plan to change our load tap changers also to help manage the load.

(2) EMPLOYEE QUARTERLY BREAKFAST:

Wednesday, December 7th is the Quarterly Breakfast at 7:30 a.m. in the Team Teaching Room; Board members are invited to attend. Mr. Pandey will be giving a power point presentation “Water 101”.

(3) PERU UTILITIES HOLIDAY CELEBRATION:

Saturday, December 3rd is the Peru Utilities Holiday Celebration at the Riverside Event Center, 421 West Canal Street. Santa will arrive at 5:00 p.m., dinner at 6:00 p.m.

(4) CAR/POLE ACCIDENTS:

As of September 1st, we have added a 100% cost factor (previously 50%) to our damage claims whenever a vehicle hits our facilities. Standard markup in most businesses is 100% or more.

(5) INSURANCE:

Mr. Pandy reported that he is satisfied with Saine-Summer Insurance Agency; he has been approached by other agencies wanting to solicit for our business. Mr. Pandy stated he preferred to do business locally.

(6) HIGH WATER LOSS AND HIGH WASTEWATER FLOWS:

In June YTD our water loss was 50% because of the main break. Mr. Pandy reported that our wastewater flows are higher than water flows because we treat storm water, due to the combined sewers.

9.) ADJOURNMENT:

There being no further business to bring before the Board, Ms. Costin made a motion to adjourn. Mrs. Edwards seconded the motion. The meeting adjourned by unanimous consent.

Geoff Ward, Secretary Peru Utilities Service Board