

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
FEBRUARY 1, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, February 1, 2017. 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, and J. Crawshaw, MD. Absent: J. Edwards. Others present: D. Kern, Esq., J. Chance, B. Tillett, L. Starkey, J. Beisiegel, L. France and A. Lombardi-Peru Tribune.

**1.) APPROVAL OF BOARD MINUTES OF JANUARY 18, 2017:**

*Mr. Ward made a motion to accept the Board minutes of January 18, 2017, as mailed. Dr. Crawshaw seconded the motion and the motion carried.*

**2.) PAYMENT OF CLAIMS:**

In reference to the Accounts Payable Check Report, Ms. Costin inquired about the \$3,182.40 check paid to Strand Associates. Mr. Beisiegel confirmed that it was for engineering work on the water line crossings under the river, at Wayne Street and Broadway.

*A motion was made by Ms. Costin to approve the claims as presented. Mr. Ward seconded the motion and the motion carried.*

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, February 15, 2017, at 4:00 p.m. in the Utility Service Boardroom.

**4.) OLD BUSINESS: None**

**5.) NEW BUSINESS:**

**A.) APPROVAL OF EMPLOYEE POLICY #2-2017, ALLOWING HEALTH INSURANCE COVERAGE FOR RETIREES:**

Mr. Chance stated that Policy #2-2017 is a new policy proposed to replace the existing policy, which it is not compliant with the Affordable Care Act. The revised policy authorizes changes to benefits for how the retirees are insured. The new policy parallels our Plan Document.

*Dr. Crawshaw made a motion to approved Policy #2, 2017, Allowing Health Insurance Coverage for Retirees. Ms. Costin seconded the motion. The motion carried.*

**B.) APPROVAL OF EMPLOYEE POLICY #3-2017, MILEAGE REIMBURSEMENT:**

Mr. Chance explained there had never been a policy in place, only a procedure, which was .44¢ standard mileage rate as stated in the new policy. Our mileage rate amount falls between the IRS rate and Indiana's fluctuating rate.

*Dr. Crawshaw made a motion to approve Policy #3, 2017, Mileage Reimbursement. Mr. Ward seconded the motion. The motion carried.*

**C.) APPROVAL OF EMPLOYEE POLICY #4, 2017, CARRY-OVER OF UNUSED VACATION LEAVE:**

Mr. Chance stated that the former policy allowed employees to carry over 40 hours vacation time into the next year. The revised policy allows employees to carry over 80 hours of vacation time into the next year. It also specifies that written approval and reasoning has to be submitted to the employee’s superintendent. Ms. Costin wondered if an employee could compound vacation time and if it would be a burden on the company. Mr. Chance addressed Ms. Costin’s concern explaining that it is at the superintendent’s discretion for all employees.

*Dr. Crawshaw made a motion to approve Policy #4, 2017. Ms. Costin seconded the motion and the motion carried.*

**D.) APPROVAL OF LEGAL SERVICE CONTRACT WITH PERU UTILITIES SERVICE BOARD:**

Mr. Chance referenced the revision made to Mr. Kern’s Legal Service Contract with Peru Utilities on Page 3, Item #10: *All approved utilities legal seminars including mileage and costs for attendance by the attorney shall be paid for or reimbursed by the Board. All utility CLE events shall be reimbursed by the Board.* Mr. Kerns explained that Mr. Roberts proposed the same contract earlier in January. The revised fees reflect the actual increase in costs; private practice fees range from \$120 to \$150/hour. Cases such as business litigation warrant larger fees.

*Ms. Costin made a motion to approve the Legal Service Contract with Peru Utilities Service Board Attorney, Dustin Kerns. Mr. Ward seconded the motion. The motion carried.*

**E.) APPROVAL OF PAY RANGE INCREASE:**

Mr. Chance discussed the increases made to the union contract for the linemen for 2017-2019. The linemen received a 3% increase for 2017 and 2% for 2018-2019. He explained that since the Electric Meter Technician works hand-in-hand with the lineman, even though that position’s wages are less, it is felt it warrants the same increase as the contract schedule for the lineman. There will be an amendment to the union contract, which Mr. Pandy and Mr. See will sign.

*Mr. Ward made a motion to approve the Electric Meter Technician’s pay increase to 3% for 2017 and 2% for 2018-2019. Ms. Costin seconded the motion. The motion carried.*

**6.) CITY ADMINISTRATION UPDATE: None**

**7.) CITY ATTORNEY’S UPDATE:**

PUSB Attorney Kerns said that he plans to attend the February 6 meeting with the State Revolving Fund (SRF) at Peru Utilities.

**8.) MANAGER’S REPORT:**

**POWER PLANT DEMOLITION UPDATE:**

Mr. Chance and Mr. France will provide updates on the power plant demolition project on a monthly basis to the Board. Mr. Chance shared the Power Plant Demolition Schedule noting that Mr. France is the day-to-day person and has been managing the demolition. Staff had asked Mr. France last October to assist with the demolition project. Mr. Chance passed out pictures of the asbestos removal work that is currently in progress showing the containment materials and equipment in use. Mr. France said that National Salvage anticipates the project to be complete in November of this year. According to the contractor’s schedule, work to demolish the power plant will start at the end of June. He shared that National Salvage is a good, professional company to work with and that safety is at the top of their list. There are currently 18 people working inside the power plant, it may increase to 30 people once the actual demolition begins. To date, National Salvage has hauled away four dumpsters of asbestos (46 tons), the asbestos removal is now 20% complete. Each dumpster of asbestos material is water downed, and double bagged inside the power plant. It is then contained in a sealed dumpster and taken away to a landfill. Mr. Akers inquired if there had been any safety issues. Mr. France said only a minor issue where workers had left an item lying on the floor, which they should have picked up right away. He related that National Salvage meets each morning to discuss the day’s work along with safety issues. National Salvage monitors the air both inside and out to ensure zero exposure to asbestos. Mr. France reported that the Peru Fire Chief and fire crews had met with him and walked through the power plant to become familiar with the building in case of a fire or rescue emergency.

A member of the public asked Mr. Ward if any of the bricks would be available for the public to purchase. Mr. Chance noted that National Salvage owns the building. He said he had also received several of those requests. The staff is looking into the matter. Ms. Costin inquired how the building would be torn down. National Salvage will use excavators to tear it down. At the end, National Salvage proposes to cut the legs and drop the building. We are not comfortable with that idea because of the old water pipes located under the ground in that area. One of our concerns is that the vibration from the impact could break the pipes.

**GRISSOM HOMEOWNER:**

Mr. Chance reported that we were informed of a homeowner, David Seymoure, in Eagle’s Pointe wanting to add on to his existing garage and asked Jamin to expand on this request.

Mr. Beisiegel explained that Mr. Seymoure wishes to construct a 24-foot x 24-foot extension to his existing garage. The proposed structure would extend over the building setback line and extend into our easement. His request from us was to have us sign off on a portion of the easement so that he could begin construction. Mike Walsh responded with a letter stating that Peru Utilities does not wish to give up our rights. Mr. Seymoure responded and again expressed his wish for Peru Utilities to allow this encroachment onto the easement. Grissom Wastewater has a sanitary sewer that lies 11 feet deep that runs across this easement. If this portion were in need of excavation, we could potentially undermine an area at a 45° angle from the bottom of the trench. Due to this depth, we would have a trench at a minimum 12 feet wide at the surface, which could undermine the proposed foundation. This is the reason we rejected his request. We corresponded a second time explaining the factual data that supports our decision. The easement in question is a part of the subdivision when it was first platted. Mr. Seymoure should have investigated this at the time he purchased his home. Mr. Beisiegel also stated that Mr. Seymoure feels Peru Utilities should purchase his home since he is restricted to build. Mr. Seymoure did receive letters from AT&T, NIPSCO and Miami-Cass REMC stating their approval for Mr. Seymoure’s use of the easement. Our wastewater infrastructure lies at deeper depth compared to the other utilities. Mr. Chance stated that if there was a break or leak, we may not find out right away and the area could erode and form a sinkhole and any damage to their proposed addition would become the responsibility of Peru Utilities.

**9.) ADJOURNMENT:**

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

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Geoff Ward, Secretary Peru Utilities Service Board