

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
JUNE 7, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, June 7, 2017. Mr. Akers called the meeting to order 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. Edwards. Others present: J. Pandey, L. Starkey, B. Tillett J. Languell City Council Liaison and A. Lombardi - Peru Tribune.

**1.) APPROVAL OF BOARD MINUTES OF MAY 17, 2017:**

*Mrs. Edwards made a motion to accept the Board Minutes of May 17, 2017, as mailed. Mr. Ward seconded the motion. Motion passed.*

**2.) PAYMENT OF CLAIMS:**

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

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, June 21, 2017, at 4:00 p.m. in the Utility Service Boardroom.

**4.) PUBLIC COMMENT:** No public comments were made.

**5.) OLD BUSINESS:** None

**WATER UTILITY IMPROVEMENT PROJECT; OCRA GRANT MONEY:**

Ms. Costin indicated her pleasure that the utilities received the OCRA Grant money. Mr. Pandey stated that the Indiana Office of Community and Rural Affairs (OCRA) awarded \$11 million to 23 communities in Indiana for projects. Switzerland, Indiana, was awarded \$700,000 the (largest amount) and Peru \$550,000 the second highest amount. Mr. Pandey passed out an itemized sheet of the project costs noting that the \$550,000 is only 6% of the \$6.3 M needed for the improvement projects. A legal notice will be published in the Peru Tribune to solicit for proposals for grant writers. At the next Board meeting, the Board will consider approving a contract from Amy Miller of Cornerstone Grants to administer the grant. The grant money will be made available to the City of Peru and is specific to the projects that were submitted; the money will be sent to the City of Peru and transferred by the City Clerk-Treasurer to our water infrastructure accounts.

**6.) NEW BUSINESS:**

**A.) APPROVAL OF POLICY #8-2017 ESTABLISHING QUARTERLY COMMUNICATIONS MEETINGS:**

Mr. Pandey requested Board approval of Policy #8-2017, which allows Peru Utilities to schedule quarterly breakfast meetings as has been past practice. The policy is included in the Employee Handbook, which contains information about company

policies. The handbook will be circulated amongst Board members for review at the June 21 meeting. The Employee Handbook clearly explains our workplace policies to anyone that wants to know. Mrs. Edwards inquired if there were many policies that were changed. It was noted the Board had approved several revised policies the past year. Mr. Pandy explained it is a living document and is subject review and constant change; we are correcting many items that were past practice but not defined in a policy. *Ms. Costin moved to approve Policy #8-2017 Establishing Quarterly Communications Meetings. Mrs. Edwards seconded the motion. Motion passed.*

**B.) APPROVAL OF POLICY #9, 2017 ESTABLISHING HOLIDAYS RECOGNIZED BY PERU UTILITIES:**

Mr. Pandy asked for Board approval of Policy #9-2017 that authorizes designated holidays recognized by Peru Utilities. The policy is consistent with the union contract, which states there are 12 holidays per year with pay. *Mr. Ward moved to approved Policy #9-2017 Establishing Holidays Recognized by Peru Utilities. Mrs. Edwards seconded the motion. Motion passed.*

**C.) APPROVAL OF POLICY #10, 2017 ESTABLISHING ANNUAL GIFT CARDS:**

Mr. Pandy requested Board approval of Policy #10, 2017 that establishes annual gift cards to let employees know they are appreciated. Peru Utility employees and Board members will receive the gift cards prior to Thanksgiving. Mr. Pandy recommended the annual gift card be increased from \$15 to \$25 and adjusted for inflation every two years by the General Manager based upon the CPI Index. *Mrs. Edwards made a motion to approve Policy #10-2017, Ms. Costin seconded the motion. Motion passed.*

**D.) APPROVAL OF POLICY #11, 2017 SETTING GUIDELINES FOR SAFETY MEETINGS AND QUARTERLY SAFETY LUNCHESES:**

The policy sets guidelines for the safety meetings and quarterly safety lunches. Mr. Pandy noted that as has been past practice safety training is provided for each department. To celebrate safe work practices departments are awarded a lunch paid for by the company along with \$10 Chamber Bucks. Mr. Pandy proposed increasing the amount to \$20 and in lieu of the Chamber Bucks issuing debit cards because there are a declining number of businesses that accept the Chamber Bucks. *Mrs. Edwards made a motion to approve Policy #11-2017 Setting Guidelines for Safety Meetings and Quarterly Safety Lunches. Mr. Ward seconded the motion. Motion passed.*

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

**8.) CITY ATTORNEY'S UPDATE:** None

**9.) MANAGER'S REPORT:**

**A.) NORFOLK & SOUTHERN RAILROAD ACCESS AGREEMENTS:**

Mr. Pandy reported that Attorney Dustin Kern had done a great job negotiating the 20-year rental payment agreement with the Railroad Management Company for the railroad crossings.

**B.) 3<sup>rd</sup> QUARTER ELECTRIC RATE TRACKER:**

The City Council had approved the 3<sup>rd</sup> Quarter Electric Rate Tracker at their June 5 meeting. The new tracker is for the months of July – September, the hottest part of the year. Residential customers who used 750/kWh/month will pay \$9.61/month less in electric charges for July – September.

**C.) S.R. 19 RESURFACING:**

Mr. Pandy said that S.R. 19 through City of Peru is scheduled for Resurface June 5, weather permitting. Work will take place between U.S. 24 and C. Rd. 150 E.

**D.) SUBSTATION #3 VANDALISM:**

Mr. Pandy reported our insurance company Tokyo Marine has requested that we sign a non-waiver document prior to filing insurance claims for Peru Utilities and Terry Hughes because the vandalism had leaked oil onto his property. We will not sign a non-waiver document until we have sought advice from our legal counsel. Tokyo Marine says that we may not have insurance coverage for pollution. Mr. Pandy stated that it is not an environmental pollution incident but an act of vandalism. We have a film showing someone firing four 9mm slugs at our transformer, which pierced the transformer radiator, causing the loss of oil.

**E.) HEALTH PLAN UPDATE:**

Mr. Pandy summarized the maximum allowable changes recommended by AGA to Peru Utilities Self-Funded Health Plan. Mr. Pandy and Mrs. Edwards commended Mrs. Starkey for a job well done.

**F.) FINANCIALS:**

Mr. Pandy reported that all utilities have positive net margins for April and year-to-date.

**G.) WATER SYSTEMS IMPROVEMENTS PROJECT SCHEDULE (60% Design – 6/1/17):**

Today Mr. Pandy and staff had met with Wessler Engineering to review the 60% Design of the projects. He referenced the milestones on Wessler's schedule noting that the permits with the DNR and IDEM will be due June 15 instead of the end of May. We hope to bid projects as early as July 27.

We envision three contracts for the projects as follows:

<b>CONTRACT</b>		
<b>A</b>	Division 1	WTP, Wells, Boosters, (OCRA)
(Facilities)	Division 2	Generators
<b>B</b>	Division 1	Small Mains (OCRA)
(Main Replacements)	Division 2	High School & Daniel Street
<b>C</b>	16" River Crossing of Wabash River	
(Wabash River)	(@ Broadway and Wayne St.)	

Mr. Pandy stated that vendor bids would be opened at future Board meetings to acknowledge receipt and then reviewed by Peru Utility staff. Upon completion of the review, the Board will consider bid recommendations.

**H.) STRATEGIC PLANNING MEETING:**

A Strategic Planning Meeting is scheduled for June 15 in the Team Teaching Room. It will be an all-day meeting, lunch is being provided. Mr. Pandy provided a SWOT Analysis (Strengths/Opportunities/Weakness/Threats) worksheet with the Board explaining how the process will work and that Board members are welcome to attend. Each division will need a SWOT Analysis, which will give a view of Peru Utilities and identify Peru Utilities' strengths and weaknesses. This will help Peru Utilities with a business plan as for where there needs to be an improvement and will drive the budget and allocating resources. Senior staff along with three union representatives and several others will be attending the meeting. The Board agreed it was a good idea.

**I.) RADIO CONTRACT:**

Mr. Pandy stated that the annual radio contract with WARU for radio spots was canceled; we will save \$450/month for a total of \$5,400 over the course of a year.

**10.) ADJOURNMENT:**

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

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Geoff Ward, Secretary Peru Utilities Service Board