

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
JULY 26, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, July 26, 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, G. Ward, J. Edwards and M. Burnell. Absent: M. Costin. Others present: J. Pandey, L. Starkey, J. Beisiegel, and A. Lombardi, Peru Tribune.

**1.) APPROVAL OF BOARD MINUTES OF JULY 12, 2017:**

*Mr. Ward moved that the minutes of July 12, 2017, be approved. Mr. Burnell seconded the motion. Mrs. Edwards abstained from voting as she was not present at that meeting. The motion passed.*

**2.) PAYMENT OF CLAIMS:**

*Mrs. Edwards moved to approve the claims as presented. Mr. Ward seconded the motion and the motion passed.*

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, August 9, 2017, at 4:00 p.m. in the Utility Service Boardroom.

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

**5.) OLD BUSINESS:** None

**6.) NEW BUSINESS:**

**A.) APPROVAL OF BAD DEBT WRITE-OFFS JANUARY 1, 2017 THROUGH MARCH 31, 2017:**

The total bad debt write-offs for January 1, 2017, through March 31, 2017, excluding sales tax came to a total of \$22,553.53. Mr. Pandey noted that staff diligently pursues the bad debts even though written off because the debt is still owed.

*Mr. Burnell made a motion to approve the Bad Debt Write-Offs January 1, 2017, through March 31, 2017. Mrs. Edwards seconded the motion and the motion passed.*

**B.) CONSIDERATION OF FLEX TIME PROPOSAL:**

Mr. Pandey asked the Board for consideration of a Flextime proposal; the idea was brought forth by staff at the Strategic Planning Session. One advantage is that we can be open later in the day for customer convenience. Mr. Pandey then proceeded to give the Board a detailed explanation of how Flex Time would work in a variety of situations with each particular division. Flex Time will not necessarily be company-wide, only for certain departments. The 40-hour "flex time" week is 40 hours' straight time, *not overtime*, the Union will need to waive the overtime. The advantage to the employee is that they will get three consecutive days off. Mr. Pandey asked the Board to approve the Flex Time proposal subject to the Union's consent, it

will then be implemented at some point for a trial period of 30 days at the discretion of each supervisor for their department. Mr. Akers inquired if Flex Time was to correct a problem. Mr. Pandy said it was considered at the Strategic Planning Meeting and staff was in favor of it, it evolved out of the idea of the Succession Planning. Mrs. Edwards inquired if Flex time will be consistent. Mr. Pandy said that it will be up to each supervisor and that the crews Flex Time hours will be longer during the summer months due to additional daylight hours. Mr. Akers asked how Mr. Beisiegel felt about Flex Time. Mr. Beisiegel felt it appealing to have 3 days off, but if implemented it will have to be consistent. Mr. Beisiegel and staff are discussing how the idea could work. At the present time, he did not feel it was advantageous in the Water Management Division, but he did not want to say it could never work. Mrs. Edwards felt the idea is okay if each division is on board with it, but felt it should not be changed if employees did not want it.

*Mr. Ward made a motion to approve the Flex Time Proposal subject to AFSCME approval for a 30-day trial. Mr. Burnell seconded the motion, and the motion passed.*

**C.) AMI PROGRAM LEASE/PURCHASE ENGAGEMENT LETTER:**

Mr. Pandy asked the Board to authorize Peru Utilities Service Board Chairman to sign the engagement letter with Stifel. Stifel is a financial corporation who partners with Utility Metering Systems to issue bonds and provide financing for the Advanced Metering Infrastructure (AMI), they are an affiliate of Sensus. The signed letter is required in order for Stifel to implement the financial side of the net metering project. Mr. Pandy said that the Peru Common Council still has to reject or approve Automatic Metering Infrastructure (AMI) and its financing. The Peru Common Council did not approve the debt ordinance for Automatic Metering Infrastructure (AMI) at the July 10 Common Council meeting, it will be up for a vote again at the August 7 meeting.

*Mrs. Edwards made a motion to authorize Peru Utilities Service Board Chairman to sign the engagement letter with Stifel. Mr. Ward seconded the motion and the motion passed.*

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

**8.) CITY ATTORNEY’S UPDATE:**

When researching the NW Water Tower buyout, Attorney Dustin Kern found an outstanding bond issuance still owed on the tower. According to Peru Utility records and the Peru Municipal Facilities Corporation (PMFC), the Peru Municipal Facilities Corporation (PMFC) is the holder of the outstanding bond. SBA has agreed that a Non-Disturbance Agreement signed by both the City and the Peru Municipal Facilities Corporation (PMFC) is satisfactory, there is no need to draft new agreements. The Non-Disturbance Agreement states that if the City or the Peru Municipal Facilities Corporation (PMFC) defaults on the bond ordinance, SBA’s agreement remains in full.

Attorney Dustin Kern said that the Bond payments are paid with County Economic Development Income CREDIT Funds. The bond will be paid off in 2021.

**9.) MANAGER’S REPORT:**

**A.) PERU TRIBUNE ARTICLE:**

Mr. Pandy thanked Mr. Lombardi for the for the article in the Peru Tribune regarding Chairman Stan Akers receiving APPA’s Spence Vanderlinden Public Official Award. Mr. Akers also extended his gratitude.

**B.) JUNE FINANCIAL REPORTS:**

The Electric Division lost money during the month of June due to hot weather and wholesale power costs. Electric has a negative net margin of \$267.658. Year-to-date all six utilities have positive net margins. Mrs. Starkey stated that Fund Balances are positive; Peru Utilities is able to meet its financial obligations.

**C.) EMPTY LOT:**

Mr. Pandy informed the Board that Misty Quezada who is the owner of Lot 125 (332 Harrison Avenue) would like to purchase Lots 124 and Lots 126 of the property along Harrison Avenue and Lindy Street adjacent to her home. Staff reviewed the two lots in question and was in agreement the lots were not useful to the utilities. Mr. Pandy said the lots were donated to Peru Utilities in the 1930’s. He will talk to an appraiser to find a comparable. Attorney Dustin Kerns said it will be easier to sell to an adjacent land owner than it will be to someone else.

**D.) SUCCESSION PLANNING:**

Mr. Pandy said jobs were posted according to the approved Succession Plan and candidates had applied for each of the positions. Josh Chance was the only candidate for Assistant GM and Brenda Tillett was the only candidate for the combination job of Executive Assistant/Human Resource Administrator. Mr. Beisiegel has applicants for the jobs posted in the Water Division.

**E.) TRACKER:**

Mr. Pandy, Mr. Shives, and Mrs. Starkey are reviewing the tracker to redesign it to make it less complicated and more customer friendly. A recommendation will be presented to the Board sometime in August.

**F.) BALDWIN PAINTING:**

Mr. Pandy stated that Baldwin’s Backflow Prevention device was not properly installed and took in flood waters during the excessive rain events. Mr. Beisiegel took action to shut-off Baldwin’s water, Baldwin has engaged a mechanical contractor to fix the installation of the Backflow Preventer. Mr. Pandy stated that

**JULY 26, 2017 – Cont’d.**

May was the 3<sup>rd</sup> wettest month in the history of Indiana and that as of June, we have already exceeded annual rainfall amounts. He noted that MCEDA is the landlord for the Baldwin Painting building. Mr. Beisiegel informed the Board that this is not the first time Baldwin has had water in that space, but this is the first it has flowed over the Backflow Prevention Device. If there is a loss of pressure somewhere else, the water could become contaminated. Baldwin Painting has said it will be fixed by July 31.

Mrs. Edwards thanked the Line Department for fixing a pole within 20 minutes after being called at the softball park.

**10.) ADJOURNMENT:**

*There being no further business to bring before the Board, Mrs. Edwards 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