

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
AUGUST 23, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on August 23, 2017, at 4:00 p.m. following an executive session pursuant to notice as required by law. The following Board members were present: S. Akers, M. Costin, G. Ward, J. Edwards and M. Burnell. Others present: J. Pandy, L. Starkey, L. France, J. Chance, B. Tillett, R. Kline, J. Beisiegel, S. Hines, and Ken Combs – Lock & Go Self Storage.

Mr. Ward made a motion and Ms. Costin seconded the motion to amend the agenda to add Item #6-C - Consider the General Manager's Open Position & Salary. The motion passed unanimously.

Ms. Costin made a motion and Mr. Ward seconded the motion to amend the agenda to add Item #6-D – To allow the General Manager to Carry Out the Term of his Employment Outside of Peru Utilities. The motion passed unanimously.

1.) APPROVAL OF BOARD MINUTES OF AUGUST 9, 2017:

Ms. Costin made a motion to approve August 9, 2017, minutes as revised. It was seconded by Mr. Burnell and approved unanimously.

2.) PAYMENT OF CLAIMS:

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

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, September 6, 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.) CONSIDERATION OF KENNETH COMBS EASEMENT SUPPLEMENT:

Mr. Pandy presented the Board with an easement supplement from Mr. Combs a business man who is constructing storage units on Riverside Drive and Armstrong Avenue. Mr. Combs does not wish to provide parking for neighboring establishments on his property. He requests permission to build a non-permanent split rail fence on his property within the original easement. The split rail fence will not be a permanent fixture, Peru Utilities may remove the fence as necessary for the repair and maintenance of its utility lines and poles within the easement. The fence is to be constructed along his eastern property line to restrict people from parking on his property so that it does not interfere with his business operation.

Ms. Costin directed a statement to Mr. Combs. She had visited the site and believed it was not up to Peru Utilities to correct someone else’s parking issue. She inquired if he had approached the Zoning Board to gather information where he could actually begin to install a fence. Mr. Combs said the fence must be off the property or sidewalk a minimum of 18” which he was shocked at the minimum requirement.

In regard to Mr. Comb’s request, Mr. Burnell made the motion to amend the original easement and add the supplement. Mr. Ward seconded the motion. Mr. Akers, Mr. Ward, Mr. Burnell and Mrs. Edwards voted in favor. Ms. Costin cast the only dissenting vote. The motion passed.

B.) AUTHORIZE PUSB CHAIRMAN TO SIGN A LETTER AGREEMENT BETWEEN INDIANA MUNICIPAL POWER AGENCY (IMPA) AND PERU UTILITIES:

Mr. Pandy summarized the Interconnection Agreement; an agreement with a customer for self-generation in the excess of 10kW. The agreement is the requirement for connecting solar, wind and other electrical generation systems to the grid. We have one customer that does this. Mr. Chance noted that IMPA’s master contract states that they will provide all of our power. He summarized that the current IMPA Contract states anything over 10 kW or above .1% of your peak the year before requires a Purchase Power Agreement with IMPA. Above the limits in the IMPA Contract, IMPA has to purchase it from the generator. The producer will sign an agreement with IMPA and Peru Utilities; we will record the reading from the customer’s meter in order for IMPA to credit the customer. There will be no self-generation tariff imposed on the customer.

Mrs. Edwards made a motion to authorize PUSB Chairman to Sign a Letter Agreement between Indiana Municipal Power Agency (IMPA) and Peru Utilities. Ms. Costin seconded the motion. The motion passed unanimously.

C.) CONSIDER THE VACANCY OF THE GENERAL MANAGER’S OPEN POSITION AND SALARY:

The PUSB appointed current Assistant General Manager, Josh Chance, to fill the position of Interim General Manager effective August 24, 2017, until September 11, 2017, when he will become General Manager.

Mr. Ward dispensed with the reading of the following resolution #5-2017:

WHEREAS, the Peru Utilities Service Board has the responsibility for establishing the compensation of its employees and for recommending the annual salary to be paid from Utility funds to the General Manager.

NOW, THEREFORE, BE IT RESOLVED that the following salary is approved by the Peru Utility Service Board for 2017: General Manager \$130,000.00 *plus five weeks of vacation for 2017, effective August 24, 2017.*

Mr. Burnell made a motion to approve Resolution #5-2017, to establish the salary/vacation for Josh Chance, Interim General Manager, effective date August 24, 2017. Mrs. Edwards seconded the motion and the motion passed unanimously.

D.) TO ALLOW THE GENERAL MANAGER TO CARRY OUT THE TERM OF HIS EMPLOYMENT OUTSIDE OF PERU UTILITIES:

Mr. Pandy stated that he leaves Peru Utilities with a “very high regard” for all employees; he said that employees had all been loyal and that there had not been a single personnel issue during his year and 4 months. He thanked everyone for the opportunity to have served at Peru Utilities, and the support he had received. The Board was in agreement that since Mr. Chance had been given the duties of Interim General Manager for the remainder of Mr. Pandy’s term, then that will free Mr. Pandy to leave immediately with full pay until September 10.

Mr. Ward made a motion for Mr. Pandy, General Manager to be relieved of his duties at the end of the day on Wednesday, August 23, 2017, with full pay until September 10. Mr. Chance will begin duties as Interim General Manager August 24, 2017, until his official title as General Manager September 11, 2017. Mrs. Edwards seconded the motion and the motion passed unanimously.

7.) CITY ADMINISTRATION UPDATE: None

8.) CITY ATTORNEY’S UPDATE:

Attorney Dustin Kern is finalizing the agreement for the Northwest water tower buyout. Council for SBA has recommended that the Peru Municipal Facilities Corporation (PMFC) be added to SBA’s lease. The PMFC will be dropped from the lease after 2021 when the bond is paid in full. He will get the PMFC’s permission to proceed. He is still working with the Ballard easement.

9.) MANAGER’S REPORT:

A.) IMPA POWER BILL:

Mr. Pandy reported for July 2017, the IMPA power bill was \$92,978 less than July 2016; seven (7) months YTD wholesale power bills are \$774,967 less in 2017 than 2016.

B.) SRF FUNDING:

Today we received word from Wessler Engineering that the interest rate for our loan will be at 1.85% for the 30-year loan. These additional savings will help with the replacement of 173 lead services lines; \$240,000 is our cost on the street side.

The Board thanked Mr. Pandy for his service and wished him a “Happy Retirement”.

AUGUST 23, 2017 – Cont'd.

10.) 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