



LOUDON UTILITIES

**P.O. BOX 69
LOUDON, TENNESSEE 37774**

AGENDA

LOUDON UTILITY BOARD

March 23, 2020

4:30 PM

*NOTICE: IN ORDER TO PROTECT OUR AT-RISK FAMILY, FRIENDS,
AND NEIGHBORS WE WILL LIVE STREAM THIS EVENT. A LINK TO
THE LIVE STREAM VIDEO IS POSTED AT
WWW.LOUDONUTILITES.ORG*

*THOSE THAT DESIRE TO ATTEND AND SPEAK WILL BE HEARD.
ORDERLY SOCIAL DISTANCING MEASURES WILL BE IN PLACE.*

1. Call to Order
2. Recognition of Visitors
3. Approval of Minutes
 - A. Regular Meeting – February 24, 2020
4. Financial Reports
5. Items for Board Action
 - A. Adopting a Purchasing Procedures Policy
 - B. Revision to the *Personnel Rules and Regulations*
 - C. Authorizing the Surplus of a 1987 Chevrolet C7D
 - D. Establishing Natural Gas Rates Effective April 2020
6. Other
 - A. Tennessee Valley Authority Fuel Cost Adjustment
 - B. Executive Session
7. Adjournment



LOUDON UTILITIES

P.O. BOX 69
LOUDON, TENNESSEE 37774

To: Chairman Campbell and Utility Board Members
From: Ty Ross
Subject: March Agenda Items
Date: March 20, 2020

The following items appear on the agenda for the March 23, 2020 meeting of the Board of Directors of Loudon Utilities:

Recognition of Visitors.

Items for Board Action.

- A. Adopting a Purchasing Procedures Policy. Our strategic plan calls for implementation of a purchasing policy. In furtherance of this we have enclosed a purchasing policy which we recommend for adoption and with implementation set for July 1, 2020. Note that Section 309 concerning Multi-Year Contracts has been re-visited following workshop discussions.
- B. Revision to the *Personnel Rules and Regulations*. We request a revision to the Utility Personnel Policy to include removal of the requirement of employee residency within the Utility District. This is an archaic requirement that is frankly unenforceable as an across-the-board rule. After it is removed we will simply hire based on the applicant's ability to timely report for duty to the job applied for. In addition, we would ask that the nepotism restriction be modified. A highly qualified candidate should not be disqualified from service simply

because a relative is employed here. We firmly believe that so long as simple common-sense measures are practiced we can preserve the integrity of our collective reputation and not punish bloodlines.

- C. Authorizing the Surplus of a 1987 Chevrolet C7D. This is the first vehicle to be surplused in the Congestion Mitigation and Air Quality Improvement Grant (CMAQ) program that was originally applied for in 2015.
- D. Establishing Natural Gas Rates Effective April 2020. The cost of natural gas delivered to the City Gate decreased for the month of March 2020. Utilizing the formula for natural gas rates, this converts into a rate of \$1.00 per 100 cubic feet for gas billed after April 1, 2020.

Other.

- A. Tennessee Valley Authority Fuel Cost Adjustment. The TVA FCA for April 2020 decreased from \$0.01627 per kWh to \$0.01430 per kWh. The rate will result in a \$1.97 decrease for each 1,000 kWh of residential customers use.
- B. Executive Session.

**REGULAR MEETING
LOUDON UTILITIES**

February 24, 2020

The Board of Directors of Loudon Utilities held its properly advertised regular meeting on February 24, 2020, at 4:30 p.m., in the public meeting space of the Loudon Municipal Building. Those present were Chairman Don P. Campbell, Directors Gene Farmer, Tim Dixon, Carlie McEachern, and Bart Watson. Others present were Manager Ty Ross, Nicole Curtis, John Davis, Bill Watkins, Attorney Kris Frye, and Secretary Meghan Hull. Ms. Parker Wright, *Loudon County NewsHerald*, was present. Also present were approximately forty-five (45) citizens.

Chairman Campbell welcomed everyone and called the meeting to order.

Chairman Campbell asked if anyone wished to speak to the Board about anything not on the agenda. There was no response.

Chairman Campbell asked for approval of the minutes of the regular meeting held on January 27, 2020. **A motion was made by Director Dixon, seconded by Director Farmer and unanimously passed that the minutes of the regular meeting held on January 27, 2020 be approved as written.**

Financial Reports had been distributed for the workshop meeting. Finance Director Nicole Curtis gave a presentation on the financial reports. Curtis stated that the department budgets were on track. Curtis recommended consideration of rate increases for water and sewer usage. **A motion was made by Director Watson, seconded by Director McEachern and unanimously passed that the reports be received and placed on file.**

The first item for Board action was to consider an increase in the funding levels for the Self-Funded Health Benefit Plan. Manager Ross explained that meetings have been held with employees for better understanding of how this impacts the health plan. Chairman Campbell stated that there are no planned changes in the current coverage. Ross suggested the formation of a study committee including a Board member, Council member, employees, and citizens. **A motion was made by Director Dixon and seconded by Director Farmer that the following resolution be approved:**

RESOLUTION NO. 2020-07

**ASSURANCE OF ADEQUATE FUNDING LEVEL
OF THE SELF-FUNDED HEALTH BENEFIT PLAN**

Upon a vote, the resolution was passed unanimously.

The next item for Board action was the competitive bids received for a three (3) year clearing services contract. **A motion was made by Director Farmer and seconded by Director Dixon that the following resolution be approved:**

RESOLUTION NO. 2020-08

**AUTHORIZING CONTRACT
FOR FEEDER CIRCUIT RIGHT OF WAY CLEARING SERVICES
AND RELATED WORK
WITH BREWSTER'S SERVICES GROUP, LLC**

Upon a vote, the resolution was passed unanimously.

Next Board considered the competitive bids received for a three (3) year contract for mowing services of utility service sites. **A motion was made by Director McEachern and seconded by Director Watson that the following resolution be approved:**

RESOLUTION NO. 2020-09
AUTHORIZING CONTRACT
FOR MOWING SERVICES AND RELATED WORK
WITH BREWSTER'S SERVICES GROUP, LLC

Upon a vote, the resolution was passed unanimously.

Board was presented with the purchase of two (2) Ford F450 dump trucks by the Gas Department for replacing two (2) 1990 vehicles. **A motion was made by Director Farmer and seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2020-10
AUTHORIZING THE PURCHASE
OF TWO (2) 2020 FORD F450 SINGLE AXLE DUMP TRUCKS
FOR THE GAS DEPARTMENT

Upon a vote, the resolution was passed unanimously.

Board considered the surplus of a Water Department owned 1991 Chevrolet that is obsolete. **A motion was made by Director Watson and seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2020-11
AUTHORIZING A 1991 CHEVROLET 2500
TO BE CONSIDERED SURPLUS

Upon a vote, the resolution was passed unanimously.

The last item for Board consideration was to set the natural gas rate. **A motion was made by Director Dixon and seconded by Director McEachern that the following resolution be approved:**

RESOLUTION NO. 2020-12
ESTABLISHING NATURAL GAS RATES
EFFECTIVE MARCH 2020

Upon a vote, the resolution was passed unanimously.

Manager Ross stated that the Tennessee Valley Authority fuel cost adjustment had decreased from \$0.01637 per kWh to \$0.01627 per kWh. This results in a \$0.10 decrease for each 1,000 kWh of residential customer usage.

Manager Ross thanked all for attending the Board meeting.

Director Farmer stated that the financial reports are well done.

There being nothing further, Chairman Campbell adjourned the meeting at 4:47 p.m.

Secretary

Chairman

RESOLUTION NO. 2020-__

ADOPTING A PURCHASING PROCEDURES POLICY

WHEREAS, Loudon Utilities desires to establish a Purchasing Procedures Policy for the purpose of simplifying, clarifying, and modernizing the procedures governing the purchasing and procurement activities; and

WHEREAS, The Loudon Utilities desires to adopt the Purchasing Procedures Policy as attached.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Loudon Utilities as follows:

Section 1. The Board of Directors of Loudon Utilities hereby adopts the attached document of Purchasing Procedures Policy with implementation set for July 1, 2020.

Secretary

Chairman

Passed: _____

LOUDON UTILITIES BOARD
PURCHASING PROCEDURES POLICY

Proposed by Resolution by LUB's Board of Directors on March 23, 2020.

TABLE OF CONTENTS

ARTICLE I: GENERAL PROVISIONS..... 6

Section 100 Purpose and Rules of Construction..... 6

Section 101 Definitions 6

 (1) Authority Resolution..... 6

 (2) Board..... 6

 (3) Charter 6

 (4) LUB 6

 (5) Division..... 6

 (6) Utility Manager 6

 (7) Person..... 6

 (8) Procured Item(s) 6

 (9) Professional Services 7

 (10) Public Notice..... 7

 (11) Surplus Property 7

 (12) Specifications..... 7

 (13) System..... 7

Section 102 Incorporation..... 7

ARTICLE II: PURCHASING ORGANIZATION..... 8

Section 200 Authority of Utility Manager 8

Section 201 Compliance Documentation 8

Section 202 Contractual Authority 8

Section 203 Reliance on Legal Counsel 9

**ARTICLE III: PURCHASING, SOURCE SELECTION,
 AND CONTRACT FORMATION..... 10**

Section 300 Purchasing..... 10

 (1) Appropriation 10

 (2) Purchase of Procured Items 10

 (3) Competition..... 10

 (4) Exceptions to Advertisement and Competition 10

Section 301 Methods of Source Selection 13

<u>Section 302</u>	<u>Competitive Sealed Bidding</u>	13
	(1) Conditions for Use	13
	(2) Public Notice	13
	(3) Bid Opening	14
	(4) Award	14
<u>Section 303</u>	<u>Competitive Sealed Proposals</u>	14
	(1) Conditions for Use	14
	(2) Request for Sealed Proposals.....	14
	(3) Receipt and Opening of Sealed Proposals	15
	(4) Discussion Period.....	15
	(5) Award.....	15
<u>Section 304</u>	<u>Competitive Negotiation</u>	15
	(1) Conditions for Use	15
	(2) Request for Proposals.....	16
	(3) Proposal Opening	16
	(4) Evaluation of Proposals; Negotiation.....	16
	(5) Award	16
<u>Section 305</u>	<u>Negotiations After Competitive Sealed Bidding</u> <u>Where All Bids Exceed Available Funding</u>	16
<u>Section 306</u>	<u>Cancellation of Invitations to Bid or Requests for Proposals</u>	18
<u>Section 307</u>	<u>Electronic Procurement</u>	18
<u>Section 308</u>	<u>Registration</u>	19
<u>Section 309</u>	<u>Multi-Year Contracts</u>	19
ARTICLE IV: SPECIFICATIONS FOR SUPPLIES AND SERVICES		20
<u>Section 400</u>	<u>Specifications</u>	20
<u>Section 401</u>	<u>Maximum Practicable Competition</u>	20
ARTICLE V: PROCUREMENT OF PROFESSIONAL SERVICES		21
<u>Section 500</u>	<u>Authority and Duties of Utility Manager</u>	21
<u>Section 501</u>	<u>Professional Services Generally</u>	21
<u>Section 502</u>	<u>Architectural and Engineering Services</u>	21

(1) Selection and Evaluation.....	21
(2) Negotiation.....	21
(3) Existing Relationships	21
<u>Section 503 Energy Related Services</u>	<u>22</u>
ARTICLE VI: PROCUREMENT OF CONSTRUCTION SERVICES	23
<u>Section 600 Bid Security.....</u>	<u>23</u>
(1) Ability to Require Bid Security.....	23
(2) Amount of Bid Security	23
(3) Rejection of Bids for Noncompliance with Bid Security Requirements.....	23
(4) Bid Security for Construction Management Services	23
(5) Notice of Bid Security Requirement	23
<u>Section 601 Contract Performance and Payment Bonds</u>	<u>23</u>
(1) When Required; Amounts.....	23
(2) Authority to Require Additional Bonds or Security.....	24
(3) Notice of Bond or Security Requirement	24
(4) Authority to Accept Substitute Security.....	24
(5) Suits on Bonds; Right to Institute	25
<u>Section 602 Bond Forms; Copies</u>	<u>25</u>
(1) Bond Forms.....	25
(2) Certified Copies of Bonds	25
ARTICLE VII: CONTRACT MODIFICATIONS AND TERMINATIONS.....	26
<u>Section 700 Modification of Contracts.....</u>	<u>26</u>
<u>Section 701 Termination of Contracts</u>	<u>26</u>
(1) For Default of the Contractor	26
(2) For Convenience of LUB	26
ARTICLE VIII: LEGAL AND CONTRACTUAL REMEDIES.....	27
<u>Section 800 Authority to Resolve Protested Solicitations and Awards.....</u>	<u>27</u>
(1) Right to Protest.....	27
(2) Authority to Resolve Protests.....	27
(3) Decision.....	27
(4) Notice of Decision.....	27

(5) Finality of Decision	27
(6) Resort to Court	27
ARTICLE IX: INTERGOVERNMENTAL RELATIONS.....	28
<u>Section 900 Cooperative Procurement Authorized</u>	<u>28</u>
(1) Local Governmental Units of this State	28
(2) Governmental Units of Other States	28
(3) Master Agreements	28
(4) Utility Manager’s Authority	28
<u>Section 901 Cooperative Use of Supplies or Services</u>	<u>29</u>
ARTICLE X: DISPOSAL OF SURPLUS PROPERTY	30
<u>Section 1000 Disposal of Surplus Real Property</u>	<u>30</u>
<u>Section 1001 Disposal of Surplus Personal Property.....</u>	<u>31</u>
<u>Section 1002 Purchase of Surplus Property by LUB Officials and Employees</u>	<u>31</u>
ARTICLE XI: ETHICS IN PUBLIC CONTRACTING	32
<u>Section 1100 Statement of Policy.....</u>	<u>32</u>
<u>Section 1101 Conflict of Interest</u>	<u>32</u>
<u>Section 1102 Kickbacks and Collusion</u>	<u>32</u>
(1) Kickbacks	32
(2) Collusion	32
<u>Section 1103 Reporting of Suspected Collusive Bidding or Negotiation</u>	<u>32</u>
(1) Notification to the Utility Manager.....	32
(2) Retention of All Documents	32
<u>Section 1104 Civil and Administrative Remedies against Non-Employees Who Breach Ethical Standards</u>	<u>33</u>
(1) Existing Remedies Not Impaired	33
(2) Supplemental Remedies	33
ARTICLE XII: MISCELLANEOUS PROVISIONS.....	34

<u>Section 1200</u>	<u>Notices</u>	34
<u>Section 1201</u>	<u>Severability</u>	34
<u>Section 1202</u>	<u>Waiver</u>	34
<u>Section 1203</u>	<u>Interpretation</u>	34
<u>Section 1204</u>	<u>Amendment by LUB</u>	35
<u>Section 1205</u>	<u>Statutory References</u>	35
<u>Section 1206</u>	<u>Effective Date and Repeal of Conflicting Provisions</u>	35

**ARTICLE I
GENERAL PROVISIONS**

Section 100. Purpose and Rules of Construction

This Purchasing Procedures Policy (“Policy”) has been adopted for the purpose of simplifying, clarifying, and modernizing the procedures governing the purchasing and procurement activities of LUB. This Policy shall be interpreted and applied to promote this underlying purpose. This Policy is intended to be consistent with the provisions of the Charter that apply to LUB’s operations and has been developed in accordance with § 5-502 of the Loudon Municipal Code. In the event of a conflict between this Policy and the Municipal Code, the Charter shall control.

Section 101. Definitions

The words defined in this Section shall have the meanings set forth below whenever they appear in this Policy, unless the context in which they are used clearly requires a different meaning or a different definition is given in a particular Article, Section, or Subsection.

- (1) “Board.” The Board of Directors of LUB.
- (2) “Charter.” The Charter of the City of Loudon, Tennessee.
- (3) “LUB.” The Loudon Utilities Board, an independent municipal agency of the City of Loudon created by § 2-101 of the Loudon Municipal Code pursuant to the authority of Article II of the Charter.
- (4) “Division.” Any part of the System that includes all of one (1) branch of the operation of the System, such as the branch having charge of the electric power operations or the branch having charge of the water operations.
- (5) “Utility Manager.” The manager of LUB, who serves as its superintendent pursuant to Tenn. Code Ann. § 7-52-117.
- (6) “Person.” Any individual, corporation, partnership, limited liability company, sole proprietorship, joint stock company, joint venture, or legal entity through which business is conducted.
- (7) “Procured Item(s).” Any real, personal or mixed property and all supplies, services, construction agreements, insurance and insurance policies, and any and all other items that are necessary or convenient for the operation of the System, all of which shall be procured in accordance with this Policy.

- (8) “Professional Services.” Professional or technical services offered by professional persons or groups of high ethical standards in accordance with Tenn. Code Ann. § 12-3-1209.
- (9) “Public Notice.” Any manner of notification reasonably assured of creating competition for the award of any procurement contract. Examples of notification that constitute Public Notice are set forth in Section 302(2).
- (10) “Surplus Property.” Real, personal, or mixed property that has been determined by LUB to be no longer necessary for current or future System operations.
- (11) “Specifications.” Detailed instructions developed by LUB governing supplies to be purchased, services to be provided, designs to be followed, work to be performed, or any other pertinent details surrounding the scope and nature of a contemplated contract.
- (12) “System.” The electric system, the water system, the wastewater system, and any other system or services that the Board is authorized by law to operate or provide and which is approved by the City Council of Loudon, Tennessee.

Section 102. Incorporation

Any invitation to bid or request for proposals prepared in accordance with this Policy may state that such invitation to bid or request for proposals is subject to the provisions of this Policy and may require each respondent to include a provision in their bid or proposal assenting to the terms and provisions of this Policy. A respondent’s failure to include such a provision in a bid or proposal may, at LUB’s option, result in rejection of the bid or proposal.

**ARTICLE II
PURCHASING ORGANIZATION**

Section 200. Authority of Utility Manager

In addition to the authority granted to the Utility Manager and the other authority and duties set forth in this Policy, the Utility Manager shall, subject to the Board's overall control and supervision, have the following authority and responsibility:

- (1) To serve as LUB's central purchasing and contracting authority and, in connection therewith, to interpret and apply the provisions of this Policy.
- (2) To contract for, purchase, lease-purchase, lease, or otherwise procure all Procured Items for LUB.
- (3) Subject to the limitations set forth in any bond financing documents, to sell, trade, or otherwise dispose of Surplus Property.
- (4) To establish and maintain a program for the development and usage of Specifications for Procured Items.
- (5) To establish and maintain a program for the inspection and testing of supplies, construction, services, or any other Procured Item.
- (6) To appoint one or more duly authorized designees to perform any of the Utility Manager's responsibilities provided for in this Policy.

Section 201. Compliance Documentation

All purchases by LUB shall be properly documented as necessary to assure compliance with the requirements of this Policy pursuant to such guidelines and procedures as may be established from time to time by LUB. All petty cash disbursements shall be evidenced by proper receipts.

Section 202. Contractual Authority

Subject to the limitations set forth in this Policy, all rights, powers, duties, and authority under this Policy relating to the procurement of Procured Items, and the sale and disposal of any Surplus Property, are delegated to and vested in the Utility Manager. Any contract or other written agreement that must be executed in connection with the acquisition or delivery of Procured Items may be executed either by the Utility Manager or his or her duly authorized designee. Notwithstanding the foregoing, any contract for the procurement of Procured Items exceeding Fifty Thousand Dollars (\$50,000.00) must be approved by the Board.

Section 203. Reliance on Legal Counsel

In interpreting the provisions of this Policy and in determining the respective duties and obligations of LUB and other parties hereunder, the Utility Manager may seek the advice of or rely on the opinions of legal counsel that may be employed from time to time for such purposes.

ARTICLE III
PURCHASING, SOURCE SELECTION, AND CONTRACT FORMATION

Section 300. Purchasing

- (1) Appropriation. In no event shall the Utility Manager procure or contract to procure any Procured Items for which funds have not been appropriated in a budget approved by the Board. This provision shall not prohibit multi-year contracts with contractors, suppliers, and vendors that are consistent with the requirements of this Policy.

- (2) Purchase of Procured Items. Upon satisfying himself or herself that adequate appropriated funds are available, the Utility Manager shall cause Procured Items to be purchased, and such items shall be paid for from the funds of the Division awarding the procurement or contract.

- (3) Competition. Unless otherwise exempt by the provisions of this Policy or the laws of the State of Tennessee, LUB shall comply with the advertising and competitive bidding requirements of § 5-502 of the Loudon Municipal Code and this Policy.

- (4) Exceptions to Advertisement and Competition. LUB shall not be required to use the methods of advertisement and competition described in this Policy in any of the following circumstances:
 - (a) The purchase of Procured Items when the purchase price is less than the minimum level established under § 5-502 of the Loudon Municipal Code, which, as of the date of the adoption of this Policy, is Ten Thousand Dollars (\$10,000.00). Notwithstanding the foregoing, in cases involving the purchase of Procured Items the purchase price of which is between Two Thousand Five Hundred Dollars (\$2,500.00) and the minimum level established under § 5-502 of the Loudon Municipal Code, LUB shall strive, where practical, to obtain at least three (3) bids or price quotes and shall make a record of such bids. Such bids or price quotes may be obtained by any reasonable method of transmission, including but not limited to, electronic, facsimile, hand-delivery, mail, overnight courier, or oral transmission.

 - (b) The sale of Surplus Property when the sales price is less than the minimum level established by this Policy, which in the case of personal property is One Thousand Dollars (\$1,000.00) and in the case of real property is Ten Thousand Dollars (\$10,000.00).

 - (c) In accordance with Tenn. Code Ann. § 6-56-304(2), purchases of goods or services for which there is a single source of supply, such as where the Procured Item is a certain type, brand, or make that is proprietary to a certain manufacturer and only that particular type, brand, or make can reasonably be used. In such cases, LUB shall make a record of the Procured Items purchased pursuant to this

exception, the amount paid for such Procured Items, and the identities of the Persons from whom the Procured Items were purchased.

- (d) In accordance with Tenn. Code Ann. § 6-56-304(3), in emergencies, for the purchase or lease of Procured Items that are reasonably needed for the operation of the System. In many instances, such emergency purchases will be for immediate delivery in actual emergencies arising from unforeseen causes, including, but not limited to, delays by contractors, delays in transportation, and unanticipated volumes of work. In such cases, LUB shall make a record of the Procured Items purchased pursuant to this exception, the amount paid for such Procured Items, the identities of the Persons from whom the Procured Items were purchased, and the nature of the emergency. It is the Board's intent that, in an emergency, the Utility Manager have the maximum procurement authority allowed under Tennessee law.
- (e) In accordance with Tenn. Code Ann. § 6-56-304(5), the purchase, lease, or lease-purchase of real property. In such cases, LUB shall require a sufficient number of appraisals of the real property being procured to determine its fair market value.
- (f) In accordance with Tenn. Code Ann. §§ 6-56-304(6) & 12-3-1202(a), purchases, leases, or lease-purchases of used or secondhand articles consisting of goods, equipment, materials, supplies, or commodities from any federal, state, or local governmental unit.
- (g) In accordance with Tenn. Code Ann. § 6-56-304(7), purchases of perishable commodities, when such items are purchased in the open market. In such cases, LUB shall make a record of the Procured Items purchased pursuant to this exception, the amount paid for such Procured Items, and the identities of the Persons from whom the Procured Items were purchased.
- (h) In accordance with Tenn. Code Ann. § 6-56-304(7), purchases of fuel and fuel products may be purchased in the open market without public advertisement, but shall, whenever possible, be based on at least three (3) competitive bids.
- (i) In accordance with Tenn. Code Ann. § 6-56-304(8), purchases, for resale, of natural gas and propane gas.
- (j) In accordance with Tenn. Code Ann. § 12-3-1202(b), purchases of used or secondhand articles consisting of goods, equipment, materials, supplies, or commodities from any private Person as long as LUB documents the general range of value of the Procured Items through a listing in a nationally recognized publication or through an appraisal by a licensed appraiser. In such cases, the price paid by LUB shall not be more than five percent (5%) higher than the highest value of the documented range.

- (k) In accordance with Tenn. Code Ann. § 12-3-1201(a), purchases of goods or services made through the State of Tennessee's Central Procurement Office on the same terms and under the same rules and regulations as are provided for the purchase of goods and services by the Central Procurement Office.
- (l) In accordance with Tenn. Code Ann. § 12-3-1201(b), purchases made under the provisions of contracts or price agreements entered into by the State of Tennessee's Central Procurement Office.
- (m) In accordance with Tenn. Code Ann. § 12-3-1201(c), to the extent permitted by federal law or regulations, purchases of goods (except motor vehicles) or services included in federal General Services Administration contracts or other applicable federal open purchase contracts made either directly or through the appropriate state agency. In such transactions, the price paid by LUB may not be higher than that which is contained in the contract between the General Services Administration and the vendor.
- (n) In accordance with Tenn. Code Ann. § 12-3-1203(a), purchases made upon LUB's request by any municipality, county, utility district, or other local governmental unit of the State of Tennessee for LUB so long as the purchase is made on the same terms and under the same rules and regulations as regular purchases of the purchasing entity. In such cases, LUB shall ensure that the cost of the purchase is borne entirely by LUB and not by the purchasing entity. Also in such cases, any otherwise applicable advertisement and competition requirements of this Policy shall be deemed satisfied so long as the purchasing entity complies with its own purchasing requirements.
- (o) In accordance with Tenn. Code Ann. § 12-3-1203(c), purchases made under contracts or price agreements entered into by any other local governmental unit of the State of Tennessee so long as the purchase is made on the same terms and under the same rules and regulations as regular purchases of the purchasing entity. In such cases, LUB shall directly handle payment, refunds, returns, and any other communications or requirements involved in the purchase without involving the local governmental unit that originated the contract. Also in such cases, any otherwise applicable advertisement and competition requirements of this Policy shall be deemed satisfied. Notwithstanding the foregoing, this exception shall not apply to (i) purchases of new or unused motor vehicles, unless the motor vehicles are manufactured for a special purpose as defined in Tenn. Code Ann. § 12-3-1208; and (ii) purchases related to any transportation infrastructure project, including, but not limited to, projects for the construction or improvement of streets, highways, bridges, tunnels, or any roadway related facility.
- (p) In accordance with Tenn. Code Ann. § 6-56-302(6), purchases from nonprofit corporations whose purpose or one (1) of whose purposes is to provide goods or services specifically to municipalities.

- (q) Procurement of professional services in accordance with Article V.
- (r) Insofar as the operation of LUB's Electric Division is concerned, and to the extent permitted by Tenn. Code Ann. § 7-52-117(d) and any other applicable provisions of the Tennessee Municipal Electric Plant Law of 1935, the Utility Manager may purchase Procured Items at a price of up to Fifty Thousand Dollars (\$50,000.00) for LUB's Electric Division without utilizing the public advertisement and bidding processes which are otherwise provided for in this Policy.
- (s) Any other purchases where the requirement of advertisement and/or competition is dispensed with by this Policy or any applicable law.
- (t) Any other purchases where advertisement and competitive bidding are not appropriate because competition is not reasonably practical. LUB shall document the factors giving rise to such situations that authorize the use of this exception.

Section 301. Methods of Source Selection

Except as provided for in Section 300(4) hereof or as authorized by law, all contracts shall be awarded by one of the following methods:

- (1) Competitive sealed bidding
- (2) Competitive sealed proposals
- (3) Competitive negotiation
- (4) Negotiation after competitive sealed bidding where all bids exceed available funding

Section 302. Competitive Sealed Bidding

- (1) Conditions for Use. Contracts that are not exempt under Section 300(4) hereof shall be awarded by competitive sealed bidding whenever practicable.
- (2) Public Notice. LUB shall prepare an invitation to bid, notice of which shall be given adequate Public Notice, allowing sufficient time, in the discretion of LUB, for response before the date set forth for the opening of bids. Nothing contained herein shall prohibit LUB from prequalifying bidders for a particular contract. In such case, if proper Public Notice of the prequalification of bidders is made, further Public Notice of an invitation to bid for such contract is not required. As used herein, "Public Notice" means any manner of notification reasonably assured of creating competition for the award of any contract

under this Policy. Although none of such methods is required in any particular situation, Public Notice may include publication in a newspaper of general circulation, mailing of the invitation to bid to prospective bidders, notices in trade and industry publications and reports, and such other methods of providing notice of opportunities to bid as are customarily used for the type of contract being offered or the type of goods or services being procured. Whenever Public Notice is achieved by mailing or electronically transmitting the invitation to bid to prospective bidders, the invitation to bid shall, whenever practicable, be sent to at least three (3) prospective bidders.

- (3) Bid Opening. Bids shall be opened publicly at the time and place and in the manner designated in the invitation to bid. Each bid and the name of the bidder shall be recorded and open to public inspection. After bids are publicly opened, no bidder may make any change or modification to a bid which, in LUB's opinion, materially alters the bid. In the event a bidder makes a material change or modification after bids are publicly opened, LUB may, in its sole discretion, either: (a) reject the bidder's material changes or modifications and evaluate the bid in its original form; or (b) reject the bid in its entirety.
- (4) Award. Should a contract be awarded, the award shall occur within a reasonable amount of time after the bid opening to the responsive bidder whose bid is determined by LUB to contain the best evaluated bid. In determining which bid is the best evaluated bid, the following factors may be considered in addition to the price quoted: (a) apparent ability to perform, (b) quality, (c) purpose or use, (d) discount for prompt payment, (e) freight, (f) delivery date, (g) past performance, and (h) any other pertinent factors that may enable LUB to make the proper procurement decision. When using evaluation factors other than just price, the invitation to bid shall indicate the relative importance of price and any other significant evaluation factors.

Section 303. Competitive Sealed Proposals

- (1) Conditions for Use. In accordance with Tenn. Code Ann. § 12-3-1207, competitive sealed proposals may be used when it is impractical to use competitive sealed bidding or when the use of competitive sealed bidding is not advantageous to LUB. Competitive sealed proposals may be used only when qualifications, experience, or competence are more important to LUB than price in making the purchase and: (a) when there is more than one (1) solution to a purchasing issue and the competitive sealed proposals will assist in choosing the best solution; or (b) when there is no readily identifiable solution to a purchasing issue and the competitive sealed proposals will assist in identifying one (1) or more solutions.
- (2) Request for Sealed Proposals. LUB shall prepare a request for sealed proposals, notice of which shall be given adequate Public Notice in the same manner as provided in Section 302(2). The request for sealed proposals shall request the submission of sealed proposals, and shall state the relative importance of price and any other evaluation factors. Nothing contained herein shall prohibit LUB from prequalifying respondents for a particular contract. In such case, if proper Public Notice of the prequalification of

respondents is made, further Public Notice of a request for sealed proposals for such contract is not required.

- (3) Receipt and Opening of Sealed Proposals. Proposals shall be opened publicly at the time and place and in the manner designated in the request for sealed proposals, but shall be opened in a manner that avoids the disclosure of contents to competing respondents during the period for discussions. Only the names of the respondents shall be recorded and open to public inspection until such time as the entire competitive sealed proposal process is complete. If the intent to award a contract to a particular respondent is announced, all proposals shall thereafter be recorded and shall be open for public inspection. Except as provided for in Subsection (4) of this Section, after proposals are publicly opened, no respondent may make any change or modification to a proposal which, in LUB's opinion, materially alters the proposal. In the event a respondent makes a material change or modification after proposals are publicly opened, LUB may, in LUB's sole discretion, either: (a) reject the respondent's material changes or modifications and evaluate the proposal in its original form; or (b) reject the proposal in its entirety.
- (4) Discussion Period. For purposes of assuring the full understanding of, and responsiveness to, the solicitation requirements, LUB may conduct discussions with respondents who submit proposals determined by LUB to be reasonably susceptible of being selected. These discussions shall be for clarification only. Respondents with whom discussions are held shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals. Revisions to proposals shall be permitted after submission but before the intent to award to a particular respondent is announced in order to obtain the best final offers. In conducting discussions, there shall be no disclosure to any respondent of any information derived from the proposals submitted by competing respondents.
- (5) Award. Should a contract be awarded, the award shall occur within a reasonable amount of time after the discussion period to the respondent whose proposal is determined by LUB to be the most advantageous to LUB, taking into consideration price and the other evaluation factors set forth in the request for sealed proposals. No other factors may be used in the evaluation. The contract file shall contain a written explanation of the basis on which the award is made.

Section 304. Competitive Negotiation

- (1) Conditions for Use. Competitive negotiation may be used when LUB determines that because of the nature of the goods or services to be purchased, neither competitive sealed bidding nor competitive sealed proposals is appropriate, or LUB determines that it is in LUB's best interests to engage in competitive negotiation in lieu of bidding. Competitive negotiation may be used when a market exists for several products or solutions having varying specifications, each of which may be acceptable to perform the task for which a product or solution is being purchased. By way of illustration, but not limitation, an

example of products for which competitive negotiation may be appropriate are telephones and related telephone services and computers and related technology services.

- (2) Request for Proposals. LUB shall prepare a request for sealed proposals, notice of which shall receive adequate Public Notice in the same manner as provided for in Section 302(2). The request for sealed proposals shall, at a minimum, describe the goods or services to be procured, set forth minimum proposer qualifications, and indicate the relative importance of price and any other significant evaluation factors. Nothing contained herein shall prohibit LUB from prequalifying proposers for a particular contract. In such case, if proper Public Notice of the prequalification of proposers is made, further Public Notice of a request for sealed proposals for such contract is not required.
- (3) Proposal Opening. Proposals shall be opened publicly at the time and place and in the manner designated in the request for proposals. Each proposal submitted and the name of the submitting proposer shall be recorded and open to public inspection. Except as provided for in Subsection (4) of this Section, after proposals are publicly opened, no proposer may make any change or modification to a proposal which, in LUB's opinion, materially alters the proposal. In the event a proposer makes a material change or modification after proposals are publicly opened, LUB may, in LUB's sole discretion, either: (a) reject the proposer's material changes or modifications and evaluate the proposal in its original form; or (b) reject the proposal in its entirety.
- (4) Evaluation of Proposals; Negotiation. LUB shall evaluate each submitted proposal using the evaluation factors set forth in the request for proposals. No other factors may be used in the evaluation. LUB shall select at least two (2) proposals determined to be the best evaluated proposals for negotiation. Negotiation shall then be conducted with the selected proposers, with such negotiation allowing for the modification of the proposals, including price. Offers and counter-offers may be made as many times with each proposer as is necessary to secure the best possible contract for LUB. After negotiations are concluded, LUB shall re-evaluate the proposals in light of any changes resulting from the negotiation process.
- (5) Award. Should a contract be awarded, the award shall occur within a reasonable amount of time after the negotiation period to the proposer whose proposal is determined by LUB to be the most advantageous to LUB, taking into consideration price and any other evaluation factors set forth in the request for proposals. The contract file shall contain a written explanation of the basis on which the award is made.

Section 305. Negotiations After Competitive Sealed Bidding Where All Bids Exceed Available Funding

If all bids submitted pursuant to an invitation to bid result in prices that exceed the funds available for the purchase, and LUB determines that:

- (1) There are no additional funds available from the Division involved in the procurement that could permit an award to the lowest evaluated responsive bidder; and
- (2) The best interests of LUB will not allow the delay of a re-solicitation under revised Specifications and/or quantities;

then a negotiated award may be made. In such a circumstance, LUB shall document in writing the reasons necessitating negotiation, after which point competitive negotiations shall commence.

Section 306. Cancellation of Invitations to Bid or Requests for Proposals

When determined to be in LUB's best interests, any invitation to bid, request for proposals, or other solicitation may be cancelled or withdrawn. In such case, all responses received shall be automatically rejected.

Section 307. Electronic Procurement

LUB may adopt procedures allowing for LUB's procurement processes to be accomplished through electronic means. Such procedures may allow for the electronic provision of Public Notice of invitations to bid or requests for proposals, as well as allow for the electronic receipt and opening of responses thereto. Notwithstanding the foregoing, any procedures

adopted by LUB pursuant to this Section shall comply in all respects with the other requirements of this Policy and all applicable laws.

Section 308. Registration

Persons seeking to provide Procured Items may register with LUB in accordance with procedures issued by LUB. Persons who successfully register with LUB will automatically receive invitations to bid and requests for proposals when, in LUB's opinion, the Procured Items can be supplied by those registered Persons. A Person's successful registration shall not prevent LUB from later determining that a once registered Person is no longer qualified to supply one or more Procured Items. LUB may reject any response to an invitation to bid or request for proposals on the grounds that the Person submitting the response previously attempted to register with LUB but failed to successfully do so.

Section 309. Multi-Year Contracts

Unless otherwise provided by law, a contract for supplies or services may be entered into for any period of time deemed to be in the best interests of LUB, provided the term of the contract and conditions of renewal or extension, if any, are included in the solicitation and funds are available within the applicable Division for the first fiscal period at the time of contracting. the Utility Manager shall have the authority to approve a contract for a maximum of one year. Contracts exceeding one year must be approved by the Board; provided, however, that in no event shall a contract term exceed the amount of time allowed by law.

ARTICLE IV
SPECIFICATIONS FOR SUPPLIES AND SERVICES

Section 400. Specifications

LUB may from time to time issue Specifications to be used in the purchase of Procured Items. The Utility Manager may from time to time establish guidelines for drafting such Specifications.

Section 401. Maximum Practicable Competition

All Specifications shall: (1) seek to promote the acquisition of Procured Items of the specified quality at a price that is most economical overall for the purpose intended; (2) encourage competition in satisfying LUB's needs; and (3) not be unduly restrictive.

**ARTICLE V
PROCUREMENT OF PROFESSIONAL SERVICES**

Section 500. Authority and Duties of Utility Manager

The Utility Manager shall have the authority and duty to control LUB's procurement of professional services.

Section 501. Professional Services Generally

In accordance with Tenn. Code Ann. § 12-3-1209, LUB shall award contracts for professional services based on recognized competence and integrity and not based on competitive bidding. Accordingly, the provisions of Article III shall not apply to the procurement of professional services, including but not limited to, legal services; fiscal agent, financial advisor, or advisory services; educational consultant services; engineering services; architectural services; and similar services by professional persons or groups of high ethical standards. In awarding contracts for professional services, LUB may interview eligible persons or groups to determine the capabilities of such persons or groups.

Section 502. Architectural and Engineering Services

- (1) Selection and Evaluation. In the procurement of architectural and engineering services, LUB may seek qualifications and experience data from any firm or firms licensed in Tennessee and interview such firm(s). LUB shall evaluate statements of qualifications and experience data regarding the procurement of architectural and engineering services, and shall conduct discussions with such firm(s) regarding the furnishing of required services and then shall select the firm deemed to be qualified to provide the services required.
- (2) Negotiation. LUB shall negotiate a contract with the qualified firm for architectural and engineering services at compensation LUB determines to be fair and reasonable to LUB. In making such a determination, LUB shall take into account the estimated value of the services to be rendered, the scope of work, complexity and professional nature thereof. Should LUB be unable to negotiate a satisfactory contract with the firm considered to be most qualified at a price determined to be fair and reasonable to LUB, negotiations shall continue with other qualified firms until an agreement is reached.
- (3) Existing Relationships. Should LUB have a satisfactory existing working relationship for architectural or engineering services, LUB may, without exercising the provisions of Sections 501 and 502, expand the scope of the existing services; provided, however, that the expanded scope is within the technical competency of the existing firm.

Section 503. Energy Related Services

In accordance with Tenn. Code Ann. § 12-4-110, contracts for energy-related services that include both engineering services and equipment, and have as their purpose the reduction of energy costs in public facilities, shall be awarded on the same basis as contracts for professional services.

ARTICLE VI
PROCUREMENT OF CONSTRUCTION SERVICES

Section 600. Bid Security

- (1) Ability to Require Bid Security. LUB may require bid security for all competitive sealed bidding for construction services. Bid security shall be a bid bond, provided by a surety company authorized to do business in the State of Tennessee or otherwise in a form satisfactory to LUB.
- (2) Amount of Bid Security. The amount of any required bid security shall be established by LUB and shall be in an amount equal to at least five percent (5%) but not greater than ten percent (10%) of the total amount of the bid.
- (3) Rejection of Bids for Noncompliance with Bid Security Requirements. When an invitation to bid requires bid security, noncompliance shall be grounds for rejecting the bid, unless it is determined that the bid's failure to comply is insubstantial to the security requirements.
- (4) Bid Security for Construction Management Services. Notwithstanding the provisions of Subsections (1), (2), and (3) of this Section, in accordance with Tenn. Code Ann. § 62-6-129, whenever LUB is procuring the services of a construction manager, LUB shall require each bidding construction manager to post, at the time of the submittal of the bid or proposal by the construction manager, a bid bond equal to at least ten percent (10%) of the value of the services proposed and the value of the work to be managed. No contract may be awarded to a construction manager who fails to post the required bid bond.
- (5) Notice of Bid Security Requirement. Whenever bid security is required, the fact of such requirement and the required bid security amount shall be stated in the invitation to bid.

Section 601. Contract Performance and Payment Bonds

- (1) When Required; Amounts. When a construction contract is awarded in excess of Fifty Thousand Dollars (\$50,000.00), the following bonds or security shall be delivered to LUB and shall become binding on the parties upon the execution of the contract:
 - (a) A performance bond, satisfactory to LUB, executed by a surety or insurance company authorized to do business in the State of Tennessee and listed on the United States Department of Treasury, Financial Management Service's list of approved bonding companies, in an amount equal to one hundred percent (100%) of the price specified in the contract, accompanied by a certified power of attorney; and
 - (b) A payment bond satisfactory to LUB, executed by a surety or insurance company authorized to do business in the State of Tennessee and listed on the United States

Department of Treasury, Financial Management Service's list of approved bonding companies, for the protection of all persons supplying labor and material to the contractor or its subcontractors, in an amount equal to one hundred percent (100%) of the price specified in the contract, and accompanied by a certified power of attorney. In those cases where the work to be performed under a construction contract is comprised of distinct segments of work upon which other work under the contract is not dependent, LUB may elect to reduce the penal amount of any payment or performance bond required for such work to an amount that will adequately protect the interests of LUB if the contractor defaults in the performance of its contract.

- (2) Authority to Require Additional Bonds or Security. Nothing in this Article shall be construed to limit the authority of LUB to require a bond or other security in addition to the bonds required hereunder or in circumstances other than those specified in this Article.
- (3) Notice of Bond or Security Requirement. Whenever any payment or performance bond or other security is required, the fact of such requirement and the required bond or security conditions shall be stated in the invitation to bid.
- (4) Authority to Accept Substitute Security. To the extent permitted by Tenn. Code Ann. § 12-1-201(c), in lieu of the bonds required by Subsection (1) of this Section, the following securities or cash may, in LUB's discretion, be substituted at the percentage rates required for the bonds:
 - (a) United States treasury bonds, United States treasury notes, and United States treasury bills;
 - (b) General obligation bonds of the State of Tennessee;
 - (c) Certificates of deposit or evidence of other deposits irrevocably pledged from:
 - (i) A state or national bank having its principal office in Tennessee;
 - (ii) A state or federal savings and loan association having its principal office in Tennessee;
 - (iii) Any state or national bank, that has its principal office located outside this state and that maintains one (1) or more branches in this state which are authorized to accept federally insured deposits; or
 - (iv) Any state or federal savings and loan association that has its principal office located outside this state and that maintains one (1) or more branches in this state which are authorized to accept federally insured deposits;

- (d) A letter of credit from a state or national bank or state or federal savings and loan association having its principal office in Tennessee; or any state or national bank or state or federal savings and loan association that has its principal office outside this state and that maintains one (1) or more branches in this state which are authorized to accept federally insured deposits. The terms and conditions of any letter of credit shall be subject to LUB's approval. The form of such letter of credit shall be provided by the bank or savings and loan association and may be based on either the Uniform Commercial Code or the ICC Uniform Customs and Practice for Documentary Credits (UCP 500). All letters of credit shall be accompanied by an authorization of the contractor to deliver retained funds to the bank issuing the letter; or
 - (e) Cash; provided, that, where cash is posted, LUB shall pay to the contractor interest at the same rate that interest is paid on funds invested in a local government investment pool established pursuant to Tenn. Code Ann. § 9-4-704, for the contract period.
- (5) Suits on Bonds; Right to Institute. Every person who has a cause of action against a contractor or subcontractor on a bond required or provided under this Article may pursue an action in accordance with applicable law.

Section 602. Bond Forms; Copies

- (1) Bond Forms. Unless otherwise expressly provided for, LUB shall determine the form of the bonds required by this Article.
- (2) Certified Copies of Bonds. Any person may request and obtain from LUB a certified copy of a bond upon payment of the reproduction and postage cost. A certified copy of the bond shall be sufficient evidence of the contents, execution, and delivery of the original.

**ARTICLE VII
CONTRACT MODIFICATIONS AND TERMINATIONS**

Section 700. Modification of Contracts

Unless otherwise prohibited by this Policy or by any applicable law, the Utility Manager is authorized to enter into modifications of existing contracts in order to effect changes deemed necessary or desirable to LUB.

Section 701. Termination of Contracts

- (1) For Default of the Contractor. The Utility Manager is authorized to terminate contracts as a result of a default of the contractor.

- (2) For Convenience of LUB. The Utility Manager is authorized to terminate contracts for the convenience of LUB when such termination is in the best interests of LUB and its ratepayers.

**ARTICLE VIII
LEGAL AND CONTRACTUAL REMEDIES**

Section 800. Authority to Resolve Protested Solicitations and Awards

- (1) Right to Protest. Any Person who is aggrieved in connection with the solicitation or award of a contract must submit a written protest to the Utility Manager within fourteen (14) days after the occurrence of the act giving rise to the protest.
- (2) Authority to Resolve Protests. The Utility Manager shall have the authority, prior to the commencement of an action in court concerning the controversy, to settle and resolve a protest of an aggrieved Person concerning the solicitation or award of a contract.
- (3) Decision. If the protest is not resolved by mutual agreement, the Utility Manager shall promptly issue a decision in writing that shall:
 - (a) State the reasons for the action taken; and
 - (b) Inform the protestor of its right to judicial or administrative review as provided in this Article.
- (4) Notice of Decision. A copy of the decision under Subsection (3) of this Section shall be mailed or otherwise furnished immediately to the protestor and any other party intervening.
- (5) Finality of Decision. A decision under Subsection (3) of this Section shall be final and conclusive, unless fraudulent or any Person adversely affected by the decision commences an action in court.
- (6) Resort to Court. If unsatisfied with the determination of the Utility Manager, within thirty (30) days after such determination has been issued, the Person may institute appropriate proceedings before any court, judicial or quasi-judicial board or agency of the State of Tennessee having jurisdiction to hear controversies concerning contracts to which LUB is a party. Any and all legal proceedings instituted in connection with this Policy shall be brought in the Chancery Court for Anderson County, Tennessee.

ARTICLE IX
INTERGOVERNMENTAL RELATIONS

Section 900. Cooperative Procurement Authorized

- (1) Local Governmental Units of this State. In accordance with Tenn. Code Ann. § 12-3-1205(a), LUB may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any supplies, services, or construction with one (1) or more other local governmental units of this State in accordance with an agreement entered into between the participating local governmental units. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between local governmental units. Where LUB is otherwise required by law or this Policy to advertise and receive competitive bids for the items being purchased under the cooperative purchasing agreement, it shall be sufficient for those purposes that the purchasing entity under the cooperative purchasing agreement complied with its own purchasing requirements.
- (2) Governmental Units of Other States. In accordance with Tenn. Code Ann. § 12-3-1205(b)(1), LUB may participate in, sponsor, conduct, or administer a cooperative purchasing agreement for the procurement of any goods, supplies, services, or equipment with one (1) or more other governmental entities outside this State, to the extent the laws of the other state permit the joint exercise of purchasing authority, in accordance with an agreement entered into between or among the participating governmental entities; provided, such goods, supplies, services, or equipment were procured in a manner that constitutes competitive bidding and were advertised, evaluated, and awarded by a governmental entity and made available for use by other governmental entities. This Subsection shall not apply to (a) purchases of new or unused motor vehicles, unless the motor vehicles are manufactured for a special purpose as defined in Tenn. Code Ann. § 12-3-1208; or (b) purchases of construction, engineering or architectural services, or construction materials.
- (3) Master Agreements. In accordance with Tenn. Code Ann. § 12-3-1205(b)(2), LUB may participate in a master purchasing agreement upon the Board's adoption of a resolution accepting the terms of the master purchasing agreement. If LUB is otherwise required by law or this Policy to advertise and receive competitive bids for the items being purchased under a master purchasing agreement, it shall be sufficient for those purposes that the purchasing entity or the entity that procured the bid complied with its own purchasing requirements. In such cases, LUB shall acquire and maintain documentation that the purchasing entity or entities that procured the bid complied with its own purchasing requirements. This Subsection shall not apply to (a) purchases of new or unused motor vehicles, unless the motor vehicles are manufactured for a special purpose as defined in Tenn. Code Ann. § 12-3-1208; or (b) purchases of construction, engineering or architectural services, or construction materials.
- (4) Utility Manager's Authority. Except where such authority is otherwise reserved to the Board, the Utility Manager is authorized to take any actions necessary to effect the

provisions of this Section. The Utility Manager is further authorized to collect information from any municipalities, counties, utility districts, and other local government units concerning the type, cost, quality, and quantity of commonly used goods, supplies, services, or equipment being procured by such local governmental units under cooperative purchasing agreements, and is authorized to make available, upon request, all such similar information regarding LUB to any other municipality, county, utility district, or other local government unit.

Section 901. Cooperative Use of Supplies or Services

LUB, through the Utility Manager, may enter into an agreement, independent of the requirements of Article III, with any other public purchasing unit for the cooperative use of supplies or services.

**ARTICLE X
DISPOSAL OF SURPLUS PROPERTY**

Section 1000. Disposal of Surplus Real Property

The procedure for the disposal or sale of surplus real property, after the declaration of it being surplus by LUB and LUB having determined that the property is no longer needed by LUB, shall be as follows:

- (1) LUB shall have the property in question appraised by one (1) or more qualified real estate appraisers.
- (2) If the appraised value of the property is Ten Thousand Dollars (\$10,000.00) or more, LUB shall advertise the property and receive competitive sealed bids thereon, or shall offer the property for sale at public auction, including Internet auction. If sealed bids are taken, the bids received, together with the report of the appraiser, shall be reported to the Board. If the property is offered for sale at public auction, the highest bid, the number of bidders, the appraiser's report, and such other information as may be pertinent shall be reported to the Board. If the Board finds the highest bid received to be fair and adequate and in the best interests of LUB, the Board shall approve the sale and authorize the Utility Manager to execute a deed of conveyance upon the successful bidder complying with the bid made.
- (3) If the appraised value of the property is less than Ten Thousand Dollars (\$10,000.00), the Utility Manager shall report to the Board such offers to purchase as he may have, together with the report of the appraiser. If the Board finds the offer to purchase fair and adequate and in LUB's best interests, then the Board shall approve the sale and authorize the Utility Manager to execute a deed of conveyance to the purchaser.
- (4) The Utility Manager may waive the requirement for an appraisal if he or she finds the property to have only nominal value and the cost of obtaining an appraisal would not be justified. This finding shall be in writing and kept on file for inspection by the Board. Upon the filing of such a finding, the Board may authorize the disposal of the real property without the necessity of payment to LUB, except as otherwise provided in this Section.
- (5) All real property offered for sale or lease by LUB, except property sold or leased to the federal, state, or county governments or an agency of city government, shall be advertised by posting a sign not less than eighteen (18) inches by twenty-four (24) inches in size on the property that is conspicuously located and visible from adjacent streets or roads. The sign shall give notice that the property is being offered for sale or lease and designate the office to be contacted for information relative to the bidding procedure, date of sale, and other pertinent information.

Section 1001. Disposal of Surplus Personal Property

The procedure for the sale or disposal of surplus personal property, after the declaration of it being surplus by LUB and LUB having determined that the property is no longer needed by LUB, shall be as follows:

- (1) LUB shall determine the fair value of the personal property in question through appraisals or by any other evaluation method reasonably calculated to accurately reflect the fair market value of such property.
- (2) All personal property owned by LUB having a value of One Thousand Dollars (\$1,000.00) or more shall be sold by LUB on a competitive basis by competitive sealed bids, or at public auction, including Internet auction.
- (3) All personal property owned by LUB having a value of less than One Thousand Dollars (\$1,000.00) shall be sold or disposed of by LUB in a commercially reasonable manner under the circumstances. However, if the value of surplus personal property has an aggregate value of One Thousand Dollars (\$1,000.00) or more, it shall be sold by LUB on a competitive basis by competitive sealed bids, or at public auction, including Internet auction.

Section 1002. Purchase of Surplus Property by LUB Officials and Employees

In accordance with Tenn. Code Ann. § 6-54-125, no LUB official or employee may purchase surplus property from LUB except by bid at public auction. This limitation shall apply during the tenure of such official or employee's office or employment and for six (6) months thereafter.

ARTICLE XI
ETHICS IN PUBLIC CONTRACTING

Section 1100. Statement of Policy

Public employment is a public trust. It is LUB’s policy to adhere to all applicable state laws and the highest standards of ethical conduct in all of its public procurements. LUB employees are required to discharge their duties impartially so as to assure fair competitive access to LUB procurement by responsible Persons. Moreover, they shall conduct themselves in such a manner as to foster public confidence in the integrity of LUB’s procurement process. To achieve the purpose of this Article, it is essential that those Persons doing business with LUB also observe the ethical standards prescribed herein.

Section 1101. Conflict of Interest

There is hereby incorporated herein by reference the provisions of Tenn. Code Ann. § 6-54-107, which govern conflicts of interest, and Title 4, Chapter 1 of the Loudon Municipal Code, which govern ethics. Any modification, amendment, or replacement of Tenn. Code Ann. § 6-54-107 or Title 4, Chapter 1 of the Loudon Municipal Code shall automatically become a part of this Policy immediately upon becoming law.

Section 1102. Kickbacks and Collusion

- (1) Kickbacks. It shall be a breach of ethical standards for any payment, gratuity, or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or any person associated therewith, as an inducement for the award of a subcontract or contract.
- (2) Collusion. It shall be a breach of ethical standards for any Person to collude with any other Person in an attempt to influence LUB’s procurement of Procured Items.

Section 1103. Reporting of Suspected Collusive Bidding or Negotiation

- (1) Notification to the Utility Manager. When any employee of LUB suspects collusion among any Persons participating in the LUB procurement process, a written notice of such suspicion shall be transmitted to the Utility Manager.
- (2) Retention of All Documents. All documents involved in any procurement in which collusion is suspected shall be retained by LUB until the Utility Manager gives notice that such documents may be destroyed. All retained documents shall be made available to the Board upon request.

Section 1104. Civil and Administrative Remedies against Non-Employees Who Breach Ethical Standards

- (1) Existing Remedies Not Impaired. Civil and administrative remedies against non-employees that are in existence on the effective date of this Policy shall not be impaired.
- (2) Supplemental Remedies. In addition to existing remedies for breach of the ethical standards of this Article or regulations promulgated hereunder, LUB may impose any one or more of the following:
 - (a) Written warnings or reprimands;
 - (b) Termination of transactions; and
 - (c) Debarment from being a contractor or subcontractor under LUB contracts.

**ARTICLE XII
MISCELLANEOUS PROVISIONS**

Section 1200. Notices

Except as may otherwise be provided for in an invitation to bid, request for proposals, contract, or other written notice, any notice required or permitted to be given under this Policy shall be given in writing to the Utility Manager. Such notice may be given by hand or courier service delivery to the Utility Manager, and, in such case, shall be deemed to be given only upon actual hand or courier service delivery to the Utility Manager. Otherwise, notice shall be given by mailing the notice to the Utility Manager by Certified Mail, Return Receipt, with postage prepaid, at the following address:

Loudon Utilities Board
c/o Utility Manager
P.O. Box 69
Loudon, Tennessee 37774

In such cases, notice shall be deemed to be given on the delivery date shown on the Return Receipt.

Section 1201. Severability

In case any one or more of the provisions contained in this Policy shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Policy shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

Section 1202. Waiver

To the extent such action is not contrary to the Charter or to state law, and when deemed by LUB to be in the best interest of LUB's ratepayers, LUB may waive or modify any requirement of this Policy. Any such waiver must be in writing and must be signed by the Utility Manager.

Section 1203. Interpretation

The headings of the Articles, Sections, and Subsections of this Policy are for convenience only and shall not be used to limit or expand the meaning of any of the provisions of this Policy. Where the context so requires, words referring to the masculine gender shall include the feminine and neuter and words referring to the singular shall include the plural and words referring to the plural shall include the singular.

Section 1204. Amendment by LUB

Any one or more provisions of this Policy may be amended, modified, or rescinded by LUB at any time without notice. No person or entity shall have any claim against LUB as a result of any such amendment, modification, or rescission.

Section 1205. Statutory References

References to particular statutes, charter provisions, and ordinances are made with respect to the contents and designations thereof as of the date of the adoption of this Policy. Where reference to a particular statute, charter provision, or ordinance is made in this Policy and a provision of this Policy has been adopted in accordance with such statute, charter provision, or ordinance, any amendment or re-designation of such statute, charter provision, or ordinance shall be automatically adopted into this Policy.

Section 1206. Effective Date and Repeal of Conflicting Provisions

This Policy shall take effect upon adoption by the Board and shall replace and supersede all previous resolutions, rules, regulations, policies, and procedures used in connection with LUB's procurement activities deemed to be in conflict with the provisions of this Policy. Notwithstanding the foregoing, nothing in this Policy is intended to restrict or otherwise constrain the authority granted to the Utility Manager under the Authority Resolution. In the event of a conflict between the provisions of this Policy and the provisions of the Authority Resolution, the provision that grants the Utility Manager the most expansive authority shall control.

RESOLUTION NO. 2020-__

**REVISION TO THE
PERSONNEL RULES AND REGULATIONS**

WHEREAS, The Board of Directors of Loudon Utilities desires to amend the Personnel Rules and Regulations; and

WHEREAS, Management has reviewed and recommends the revision of the Personnel Rules and Regulations (Payroll/Policy Administration Manual).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Loudon Utilities as follows:

Section 1. The Board of Directors of Loudon Utilities hereby adopts the revised Personnel Rules and Regulations, which is attached.

Section 2. The Manager shall distribute a copy of the revised Personnel Rules and Regulations (Payroll/Policy Administration Manual) to all full-time employees.

Secretary

Chairman

Passed: _____

PAYROLL/POLICY ADMINISTRATION MANUAL



Proposed March 23, 2020

TABLE OF CONTENTS

TITLE	SECTION
GENERAL	1
EMPLOYMENT	2
Application Process	2.1
Minimum Qualifications	2.2
Employment of Relatives-Nepotism	2.3
Transfers/Promotions	2.4
Political Activity	2.5
EQUAL EMPLOYMENT POLICY	3
No Harassment	3.1
DRUG AND ALCOHOL POLICY	4
PAY CLASSIFICATION PLAN	5
Shift Premium	5.1
Temporary Assignment	5.2
Pay Classification Plan	5.3
OVERTIME	6
INSURANCE / BENEFITS	7
VACATION	8
HOLIDAYS	9
TIME OFF BENEFITS	10
FMLA	10.1
Sick Leave	10.2
Bereavement	10.3
Jury Duty	10.4
Military	10.5
Leave of Absence	10.6
Workers Compensation	10.7
TRAINING / EDUCATIONAL ASSISTANCE	11
LAYOFF and RECALL	12
CIVIL SERVICE PROCEDURE	13

<u>TITLE</u>	LUB	Section:	1
General Provisions	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

It is the purpose of this manual to establish normal rules and procedures for the personnel, pay, and benefits administration for employees as approved by the Loudon Utility Board.

The administration of these policies is the responsibility of the General Manger of LUB and shall be done with adherence to all applicable federal, state, and local laws. All employees are covered without regard to race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability citizenship status; veteran status; genetic information or any other category protected by law.

Except as provided for by operation of state or federal law, these rules and regulations supersede and replace any existing LUB policies.

Future amendments or revisions to all or part of these policies may be recommended by the General Manager or by the LUB Board. Such amendments or revisions will become effective after adoption by the Board

<u>TITLE</u> Employment	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 2 Date: 1/1/2019 Revised:
--	---	---

2.1 Application Process

Each applicant for employment is required to submit a written or electronic application or résumé to the Human Resources Department. Applications and résumés may be accepted at any time. Applications for employment are considered active for a period of time not to exceed twelve (12) months. Any applicant wishing to be considered for employment beyond this time period must complete a new application.

2.2 Minimum Qualifications

All applicants must possess a high school diploma or GED and be able to successfully pass a pre-employment drug screen to be considered eligible for employment with LUB

2.3 Employment of Relatives-Nepotism

A current employee’s parent, brother, sister, step-brother, step-sister, child, step-child or spouse is eligible for regular full-time and regular part-time employment at the Utilities, so long as said relative does not seek employment within the same department as a current parent, brother, sister, step-brother, step-sister, child, step-child or spouse and/or creates a financial internal control risk.

Providing false information or failing to provide information regarding relatives employed at the Utilities at the time of applying for a position will disqualify an applicant, or if hired, will be grounds for immediate termination upon discovery of such falsification of records.

2.4 Transfers/Promotions

LUB offers employees promotions to higher-level positions when appropriate. We prefer to promote from within and will first consider current employees with the necessary qualifications and skills to fill vacancies unless outside recruitment is considered to be in LUB’s best interest.

Employees must submit a résumé to Human Resources in order to be considered for a transfer/promotion to a higher-level position. To be eligible, employees must have held their current position for at least twenty four (24) months, and have a satisfactory performance record.

LUB management may initiate transfers and reassignment of employees between departments to meet specific work and efficiency requirements without use of this transfer policy.

City employees are eligible to apply for employment with the Utilities. Employees who move from the City to LUB (or vice versa) will be considered new hires for purposes of

seniority and will be transferred to the LUB benefit programs. However, these employees will retain their original service dates for purposes of vacation and sick time eligibility.

2.5 **Political Activity**

Employees shall not actively participate in municipal political campaigns while on duty or hold office in municipal political organizations.

<u>TITLE</u>	LUB	Section:	3
Equal Employment Policy	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

EQUAL EMPLOYMENT OPPORTUNITY “EEO”

We are an Equal Employment Opportunity employer. LUB is committed to providing equal opportunity in employment, including but not limited to selection, hiring, assignment, re-assignment, promotion, transfer, compensation, discipline, and termination. LUB prohibits discrimination, harassment, and retaliation in employment based on race; color; religion; national origin; sex (including same sex); pregnancy, childbirth, or related medical conditions; age; disability citizenship status; veteran status; genetic information or any other category protected by law. Violation of this policy may result in disciplinary action, up to and including immediate termination.

3.1 NO HARASSMENT

This policy is posted at all LUB work locations and all employees receive regular training updates on this subject.

LUB does not tolerate the harassment of applicants, employees, customers, or vendors. Any form of harassment relating to an individual's race, color, sex (including same sex), religion, age, national origin, handicap or disability, citizenship status, veteran status or any other protected activity or category is a violation of this policy and will be treated as a disciplinary matter.

Violation of this policy may result in disciplinary action, up to and including immediate termination.

If you have any questions about what constitutes harassing behavior or what conduct is prohibited by this policy, please discuss the questions with your immediate supervisor. At a minimum, the term "harassment" as used in this policy includes:

- Offensive remarks, comments, jokes, slurs, or verbal conduct pertaining to an individual's race, color, sex, religion, age, national origin, handicap or disability, citizenship status, or any other protected category
- Offensive pictures, drawings, photographs, or other graphic conduct or communications, including e-mail, faxes, and copies pertaining to an individual's race, color, sex, religion, age, national origin, handicap or disability, citizenship status, or any other protected category
- Offensive sexual remarks, sexual advances, or requests for sexual favors regardless of the gender of the individuals involved
- Offensive physical conduct, including touching, regardless of the gender of the individuals involved

- Threatening an employee for refusing to respond to requests for sexual favors, for reporting a violation of this policy, or for participating in an investigation conducted under this policy.

Our supervisors and managers also are covered by this policy and are prohibited from engaging in any form of harassing conduct. No supervisor or other member of management has the authority to suggest to any applicant or employee that employment or advancement will be affected by the individual entering into (or refusing to enter into) a personal relationship with the supervisor or manager. Such conduct is a direct violation of this policy.

Harassment of our employees in connection with their work by non-employees also may be a violation of this policy. Any employee who experiences or observes any harassment of an employee by a non-employee should report such harassment to a Department Manager or the Human Resources Department.

Employees who believe that our No Harassment policy may have been violated should immediately report the matter to their immediate supervisor. If the matter involves your immediate supervisor or another manager, or if you believe that a previously reported matter was not handled to your satisfaction, you should immediately contact your Department Manager, or the Human Resources Department. You should report any actions that you believe may violate our policy no matter how slight the actions may seem.

We will investigate the report and, where appropriate, take prompt remedial action including disciplinary action up to and including immediate termination. LUB will protect the confidentiality of employees making complaints about suspected violations of this or any other LUB policy to the extent possible consistent with our investigation.

You will not be penalized or retaliated against for reporting improper conduct, harassment, or other actions that you believe violate this policy.

<u>TITLE</u>	LUB	Section: 4
Drug and Alcohol Prevention and Testing	PAYROLL/POLICY ADMINISTRATION MANUAL	Date: 1/1/2019
		Revised:

LUB, as a condition of consideration for initial and continued employment, prohibits employees from reporting to work or performing their duties with any unlawful drugs or alcohol in their systems. Employees are also prohibited from using, possessing, manufacturing, distributing, or making arrangements to distribute unlawful drugs or alcohol while at work, off site at training or meetings, on LUB or customer property (including in personal vehicles onsite), during lunch or breaks, or in LUB vehicles. Further, LUB prohibits all unlawful drug use, possession, or distribution, whether on or off duty.

Only employees of the LUB holding safety sensitive positions are subject to random drug testing.

A full LUB *Drug and Alcohol Abuse Policy* is maintained in the Human Resources Department.

<u>TITLE</u> Pay Classification Plan	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 5 Date: 1/1/2019 Revised:
---	---	---

All positions within LUB are maintained within a Pay Classification Plan. This plan includes all titles used in all personnel, accounting, budget, appropriation and financial records. No person will be appointed or employed in a position within LUB under a title not included in the Pay Classification Plan.

Any revision to the Pay Classification Plan made necessary by changes in the duties and responsibilities of existing positions, must have the approval of the General Manager

All new employees are deemed to be probationary during the first ninety (90) calendar days and considered to be employed “at will”.

5.1 Shift Premium

The shift premium for rotating shift schedules is \$0.30

5.2 Temporary Assignments: Employees temporarily assigned to work in a higher classification will be paid the rate of that classification for all hours worked.

5.3 Pay Classification Schedule: This schedule is reviewed annually. Revisions to the schedule may only be made with Board approval

<u>TITLE</u> Overtime	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 6 Date: 1/1/2019 Revised:
-------------------------------------	---	---

All time worked by an employee in excess of the scheduled workday or workweek will be paid one and one-half (1½) times the regular hourly rate for overtime work. Non work hours, i.e., vacation, holiday, and sick leave are counted as time worked for the purposes of calculating overtime.

Unless excused, each employee will be required to work overtime. Overtime work will be distributed insofar as reasonably practicable among the qualified employees in the group in which such overtime is worked. Overtime must be approved by a member of management.

Non-exempt employees who are required to work overtime may be given compensatory time-off in lieu of cash overtime payments.

The following general provisions apply to overtime and the accrual and granting of compensatory time off:

Overtime will be taken in compensatory time-off at one and one-half (1½) the overtime hours actually worked.

Compensatory time earned must be taken off by the end of the calendar month following the month in which the time is earned.

Compensatory time-off will be granted to an employee within a reasonable period of time after the employee's written request, unless in LUB's opinion such compensatory time-off would be unduly disruptive to its operations, in which case it will be granted at the first available opportunity.

At any time at its discretion, LUB may pay overtime compensation at one and one-half (1½) times an employee's regular rate of pay in lieu of granting compensatory time-off.

Upon dismissal or removal from employment, the employee will be paid for any unused compensatory time according to the provisions of the FLSA.

6.1 CALL OUT

When an employee is called for work outside of the regular scheduled work hours, the employee will be paid one and one-half times the regular rate for a minimum of two (2) hours; except Sundays in which case the employee will be compensated at double the regular rate. Such time outside of work hours includes travel time to the job. If the total time is in excess of two (2) hours, the employee will be compensated for travel time of fifteen (15) minutes for travel to the shop or work site.

6.2 STAND BY

Stand-by is 18 hours per week paid at the employee's straight-time rate. Stand-by hours do not count in the calculation of overtime.

No employee will be allowed to work more than sixteen (16) consecutive hours unless certain emergency circumstances exist. Hours worked over sixteen (16) will be compensated at double the straight-time rate. Employees who are required to continue working consecutively, for more than two (2) hours beyond their assigned shift schedule, receive a meal allowance at intervals of five (5) hours each until their release from duty. Employees who are called in more than two (2) hours prior to the beginning of their assigned shift receive a meal allowance. For each additional five (5) hours an employee is called in early one (1) additional meal allowance is paid.

The meal allowance is \$8.00 and is included in the regular payroll check.

<u>TITLE</u>	LUB	Section:	7
Insurance/Benefits	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

401(K) PLAN

LUB has established and maintains a 401(k) plan to allow employees a tax-leveraged means of supplementing their retirement planning. LUB currently pays for administration of this plan, which is funded entirely by employee contributions.

LUB provides employees covered by its plans with Summary Plan Description booklets and other materials regarding these retirement plans, as appropriate.

MEDICAL/DENTAL PLAN

Medical/ Dental coverage is provided for full-time employees and their eligible dependants on the first day of employment. *(Note: For plan purposes, full-time is defined as 32 hours per week)*

LUB provides a Summary Plan Description and other materials relating to its medical plans. In the event of a conflict, the insurance contract or plan documents will prevail over other documents.

VISION BENEFITS

Vision benefits are provided to cover Complete Visual Examinations, Prescription Lenses and Contacts, and Eyeglass Frames subject to the exclusions of the plan. This benefit is payable once a year only on a reimbursement basis

LIFE INSURANCE AND A.D. & D.

Basic amounts of life insurance and accidental death & dismemberment insurance are provided as benefits at no cost to the employee.

SHORT-TERM DISABILITY BENEFITS (STD)

LUB makes available group short-term disability benefits for eligible full-time employees. The Support Services office maintains information regarding qualifying disabilities and reimbursement policies.

TENNESSEE CONSOLIDATED RETIREMENT SYSTEMS

LUB participates in the Tennessee Consolidated Retirement System. This is a contributory plan that both LUB and individual employees contributes to. The employee contribution is fixed at 5% of gross wages.

BOOT ALLOWANCE

Eligible employees receive a boot allowance of \$100 payable each August.

<u>TITLE</u>	LUB	Section:	8
Vacation	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

Vacation eligibility is based upon completed years of service with LUB. Accumulation of vacation time begins on the initial employment date and is computed on a monthly basis. However, employees may not be entitled to take this leave until they have completed one (1) full year of service without prior approval.

ELIGIBILITY

<u>Completed Service</u>	<u>Annual Vacation Credit per Year</u>
After 1 through 5 years	10 working days
After 5 through 10 years	15 working days
After 10 through 15 years	20 working days
After 15 years	20 days plus 1 day per year for each year over 15 (30 days maximum)

Vacations must be scheduled with and approved by department supervisors. Supervisors will schedule vacation so as to meet the operational requirements of the department.

Earned but unused vacation pay will be paid to employees upon termination.

<u>TITLE</u>	LUB	Section:	9
Holidays	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

The following holidays are observed by LUB:

- New Year's Day
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Eve
- Christmas Day
- Employee's Birthday

Employees also receive a maximum of three (3) personal days per calendar year. Subject to the approval of the employee's department head, personal days may be used at the employee's discretion. Unused personal days may not be accumulated or carried forward into the next calendar year.

Except for departments required to maintain twenty-four (24) hour per day staffing, holidays that fall on a Saturday will be observed on the preceding Friday, and holidays that fall on a Sunday will be observed on the following Monday.

Employees who are required to work holidays shall be compensated, in addition to their regular pay: (i) holiday pay at the rate of one and one-half times their regular rate of pay for hours worked on the observed holiday; or (ii) be granted a day of leave in addition to regular pay received for the time worked.

When a holiday occurs during the time an employee is on standby that employee will take another day off as scheduled by supervision.

A holiday is counted as hours worked for computing overtime.

Pay provisions:

Any employee who is absent without LUB's written approval on the scheduled workday before or after the holiday, becomes ineligible for holiday pay.

<u>TITLE</u> Time Off Benefits	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 10 Date: 1/1/2019 Revised:
---	---	--

This policy must be posted at all locations

10.1 FAMILY AND MEDICAL LEAVE

Eligible employees may take up to 12 weeks of unpaid, job-protected leave each year for specified family and medical reasons.

Employee Eligibility: To be eligible for family or medical leave, employees must have worked at least:

1. 12 months for LUB; and,
2. 1,250 hours for LUB over the previous 12 months.

Conditions Triggering Leave: Family and medical leave must involve one or more of the following reasons:

1. To care for a newly-born child, or placement of a child with the employee for adoption or foster care.
2. To care for an immediate family member (spouse, child, or employee's parent) with a serious health condition.
3. The employee has a serious health condition which makes the employee unable to perform the employee's job duties.
4. Because of any qualifying exigency arising out of the fact that the employee's spouse, daughter or parent is a covered service member on active duty, or who has been called to active duty.
5. To care for a covered service member with a serious injury or illness if the employee is the spouse, child, parent or next of kin of the service member

Duration Of Leave: Eligible employees may receive up to 12 workweeks of unpaid leave during any "rolling" 12 month period, measured backward from the date of any family or medical leave. Family and medical leave involving the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement.

Eligible employees may take family and medical leave intermittently -- which means taking leave in blocks of time, or by reducing your normal weekly or daily work schedule -- whenever it is medically necessary to care for a seriously ill family member, or because you are seriously ill

and unable to work. Intermittent leave is not permitted for birth of a child or placement of a child for adoption or foster care.

Eligible employees may take up to 26 weeks of leave to care for a covered service member with a serious injury or illness in a single 12 month period, measured forward from the date that such leave begins.

Subject to certain conditions, eligible employees may choose or LUB may require you to use accrued paid leave (such as sick time or vacation leave) concurrently with some or all of the family and medical leave.

Maintenance Of Health Benefits: LUB will maintain coverage for eligible employees and dependents (if applicable) during family and medical leave. This coverage will be provided if you or your family were covered under the plan before the leave was taken and on the same terms as if you had continued to work.

Job Restoration: Upon returning from a family and medical leave, eligible employees will normally be restored to their original job, or to an equivalent job with equivalent pay, benefits, and other employment terms and conditions. However, an employee does not continue to accrue additional benefits such as personal leave and vacation, for example, while on family and medical leave.

Use of family and medical leave cannot result in the loss of any employment benefit that employees earned or were entitled to before using family and medical leave.

Notice And Medical Certification: When seeking family and medical leave, employees may be required to provide:

1. 30 days' advance notice of the need to take family and medical leave, if the need is foreseeable
2. Medical certifications supporting the need for leave due to a serious health condition affecting you or an immediate family member. Second or third medical opinions and periodic recertification (at LUB's expense) may also be required.
3. Periodic reports during the leave regarding your status and intent to return to work.
4. Medical certification of fitness for duty before returning to work, if the leave was due to your health condition.

When leave is needed to care for an immediate family member or for the employee's own illness, and is for planned medical treatment, the employee must try to schedule treatment so that it will not unduly disrupt the LUB's operation.

Extended Medical Leave: Eligible employees who have exhausted their family and medical leave and all other employees may be allowed to take extended medical leave of absence, not to exceed twelve (12) months following the last day worked. Employees who take such extended

medical leave are not guaranteed to be returned to work or reinstatement to a particular job, rate of pay or shift at the end of their extended medical leave. However, LUB will attempt to return employees to their regular position if it is available. If it is not available at the time reinstatement is sought, we will attempt to place you in a similar job for which you are qualified, if such job is available. Employees on extended medical leave may maintain their insurance benefits, subject to policy terms and conditions by paying the applicable COBRA premiums in a timely manner. Employees on extended medical leave do not accrue any additional employee benefits such as personal leave or vacation while on extended medical leave.

Other Employment: Outside employment during your leave period is prohibited and may result in disciplinary action, up to and including immediate termination of employment.

Failure to Return from Leave or Comply With This Policy: Employees may be subject to immediate termination for:

1. failure to return to work within twelve (12) months of the beginning of a medical leave;
2. failure to return to work within twelve (12) weeks of the beginning of a family leave;
3. failure to return to work as scheduled following the end of a medical or family leave;
4. providing false or misleading information or omitting certain information in connection with a family or medical leave; or
5. violation of any of the LUB's rules and regulations relating to a family or medical leave (or any other policy or performance standard).

EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees whose spouse, son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is: (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.*

*The FMLA definitions of "serious injury or illness" for current service members and veterans are distinct from the FMLA definition of "serious health condition".

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements:

Employees are eligible if they have worked for a covered employer for at least 12 months, have 1,250 hours of service in the previous 12 months*, and if at least 50 employees are employed by the employer within 75 miles.

*Special hours of service eligibility requirements apply to airline flight crew employees.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the LUB's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for LUB to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform LUB if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

Interfere with, restrain, or deny the exercise of any right provided under FMLA; and

Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109 (29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulation 29 C.F.R. § 825.300(a) may require additional disclosures.

10.2 Sick Leave

Employees may accrue eight (8) hours sick leave per month. Unused sick leave may be accumulated to a maximum of 1,440 hours (180 days). For hourly employees hired after July 1, 2014 the maximum accumulation is 800 hours.

On December 1 each year, employees will be paid for one half (1/2) of any current year's accumulated sick leave beyond their maximum amount and the accumulated leave balance will be reduced back to the maximum amount.

Employees absent for three (3) days must provide a written Doctor's excuse showing the days out and a return date. Any use of Sick Leave will run concurrently with eligible leave under the FMLA as described in Section: X, Item: X of this manual.

Sick leave with pay may be granted for the following reasons: personal illness or injury; illness or injury of an employee's immediate family that requires the employee's personal care and attention; medical or dental appointments.

Accumulated sick leave may be paid to terminated employees as determined in LUB's sole discretion. However, employees dismissed for gross misconduct shall not be paid for accrued sick leave.

10.3 Bereavement Leave

Regular, full-time employees are eligible to receive up to three (3) working days paid at eight (8) hours straight time for bereavement leave due to the death of a member of their immediate family. An employee's immediate family includes his or her **spouse, children, parents, brother or sister, grandchild, stepfather, stepmother, grandfather, grandmother, father-in-law or mother-in-law.**

An employee notified of a death in his or her immediate family while at work will be remainder of the scheduled hours that day, and the three - day eligibility for paid bereavement leave will not commence until the next regularly scheduled work day which is lost.

10.3.1 Time away for sick leave is not charged against an employee's accumulated vacation.

10.3.2 Employees may use sick leave if they are unable to return to work immediately following the expiration of bereavement leave.

10.4 Jury Duty

When regular full-time employees serve on jury duty, LUB pays the difference between the employee's regular rate of pay and the pay received as a juror. When money is received from jury duty the employee must deposit the money with the LUB/City cashier.

Any employee who receives a summons for jury duty should show the summons to the supervisor the following day. Employees will be excused from work on any day when their jury service exceeds three hours. If an employee is called to jury service and serves less than three hours, after being released the employee must call his or her supervisor, who will advise the employee whether to report for work.

Employees on the second or third shift who are summoned for jury duty will be assigned to first shift during their jury duty service

10.5 Military Leave

Any employee who is a member of the National Guard or reserve component of the armed forces and serving under competent order shall be granted a temporary military leave for required military training in accordance with *The Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA 38 U.S.C. 4301-4335* and any other applicable federal and state law.

An employee on temporary military leave will receive his or her regular rate of pay for the first fifteen (15) working days of leave in any one (1) calendar year. Any leave beyond fifteen (15) working days in one (1) calendar year period will be unpaid. The Utilities expects regular weekend duty to be conducted on weekends and it should not interfere with an employee's regular duties.

To qualify for military leave, employees must submit a copy of their orders and earnings statement to HR/Payroll as soon as possible in advance of the leave period. LUB pays the difference between the employee's regular rate of pay and the pay received for military duty.

An employee who is ordered to active duty in the armed services will be granted an unpaid leave of absence for the duration of the active duty, and will have reinstatement and other employment rights in accordance with applicable federal and state law.

10.6 Leave of Absence

When certain extenuating circumstances exist, and all other Time Off Benefits have been exhausted, the general manager may grant an unpaid Leave Of Absence.

Employees on unpaid leave of absence do not accumulate additional sick leave, vacation leave, or holiday pay.

10.6.1 Post Resignation Leave:

Post Resignation leave may be approved when an employee has voluntarily separated his/her service with LUB. This leave begins with the employee's last day of active work.

The purpose is to enable the employee to receive pay on a weekly basis for sick leave (Up to but not exceeding 180 days) and unused vacation.

Employees on post resignation leave do not accumulate additional sick leave, vacation leave, or holiday pay. All payments will be made at the rate in effect on the last day worked.

10.7 Workers Compensation

Employees who sustain injuries or illnesses determined to be compensable under Workers Compensation which causes them to be absent in excess of seven (7) days will be paid the difference between their regular base pay and the amount payable by Workers Compensation. Total pay will not exceed the employee's net pay for a normal pay period.

Employees who are on Workers Comp leave will continue to accrue normal benefits.

<u>TITLE</u> Training /Educational Assistance	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 11 Date: 1/1/2019 Revised:
--	---	--

LUB provides periodic in-house training programs for qualified employees. In addition, regular, full-time employees may be considered to attend training programs that will benefit LUB or enable them to improve their job proficiency.

TUITION REFUND

Employees who have completed one year of satisfactory service may be eligible for Tuition Reimbursement. LUB will reimburse qualified employees up to 80% (at rates equivalent to state funded schools) with a maximum of \$3,000 per fiscal year, for the cost of tuition for courses which are directly related to the individual employee’s present job or are required for a degree that is deemed mutually beneficial for both the employee and the LUB.

Employees must obtain advanced approval from their Department Director.

Full details of the Tuition Refund Plan are available in the Support Services Department.

<u>TITLE</u> Lay Off and Recall	LUB PAYROLL/POLICY ADMINISTRATION MANUAL	Section: 12 Date: 1/1/2019 Revised:
--	---	--

If business conditions dictate, and a reduction in force becomes necessary, employees in the affected classifications will be declared surplus based on their seniority.

A surplus employee will be given opportunity to displace employees in lower classifications elsewhere in the organization provided they have more seniority and possess the ability to perform their work. Otherwise, they will be placed on layoff.

Employees who are laid off will be placed on a recall list for a period of 12 months from the date of their lay-off.

An employee will be recalled to work if a vacancy occurs in a position within a department for which the employee is qualified to perform the work. The most senior, qualified employee on lay-off status will be recalled first. Employees may refuse recall and remain on layoff status.

Employees who are laid off will be paid any accrued vacation and sick time but will not accrue time toward any LUB benefit while on lay off status.

If recall does not occur within the 12 month period the employment relationship with LUB will cease.

<u>TITLE</u>	LUB	Section:	13
Civil Service Procedure	PAYROLL/POLICY ADMINISTRATION MANUAL	Date:	1/1/2019
		Revised:	

All regular employees of LUB except the LUB General Manager, who have completed their initial probationary period, are inducted into the civil service of the City of Loudon.

When disciplinary action occurs that results in the demotion, suspension, or discharge of an employee, the employee may file a written request to have the disciplinary action reviewed by the Civil Service Board in accordance with Article XII of the CHARTER FOR THE CITY OF LOUDON, TENNESSEE

Upon receipt of the written demand for review, the Civil Service Board shall conduct a hearing in accordance with the City Charter, Article XII, Section 6.

Pursuant to *T.C.A. § 27-9-114*, contested case hearings by the Civil Service Board which affect the employment status of an employee shall be conducted in conformity with the contested case procedures under the Uniform Administrative Procedures Act, *T.C.A. § 4-5-301, et seq.* ("UAPA"). The hearing and investigation by the Civil Service Board shall be confined to the determination of whether such demotion, suspension or dismissal was or was not made in good faith for cause. In conducting the hearing, the Civil Service Board will follow the provisions of the City Charter, Article XII, to the extent they do not conflict with the UAPA, in which case the procedures of the UAPA will prevail.

After the hearing, the Civil Service Board may affirm the demotion, suspension or dismissal, or if it shall find that the action was not in good faith for cause. The Civil Service Board may order the immediate reinstatement or re-employment of such person in the position in classified service from which such person was demoted, suspended or dismissed, which provisions may be retroactive, and if it so provides, entitling such person to compensation, at his or her regular rate of pay prior to the challenged action, from the time of such action to the time of reinstatement or re-employment. The Civil Service Board may, in its discretion, in lieu of affirming or reversing the demotion, suspension or discharge, modify the order by directing a suspension without pay for a given period and subsequent restoration of duty, grade or pay.

The findings of the Civil Service Board shall be certified in writing to the General Manager and the employee, and shall be enforced by the General Manager, subject to the rights of either LUB or the employee to appeal to the Chancery Court of Loudon County.

In accordance with the UAPA, *T.C.A. § 4-5-301, et seq.*, a petition for judicial review must be filed in the Chancery Court of Loudon County by LUB or the employee within sixty (60) days after the entry of the Civil Service Board's final order. Judicial review shall be conducted by the Chancellor without a jury and shall be confined to the record. The standard of review will be pursuant to the UAPA.

RESOLUTION NO. 2020-__

AUTHORIZING THE SURPLUS OF A 1987 CHEVROLET C7D

WHEREAS, The Board of Directors of Loudon Utilities approved *Resolution No. 2015-48 Authorizing the Submittal of a Grant Application under the Congestion Mitigation and Air Quality Improvement Program* on November 23, 2015; and

WHEREAS, The Board of Directors of Loudon Utilities has received authorization to begin the replacement of outdated diesel vehicles and equipment under the Congestion Mitigation and Air Quality Improvement Program; and

WHEREAS, It is recommended to surplus a 1987 Chevrolet C7D flatbed VIN 1GBL7D1F5JV105810 per the Congestion Mitigation and Air Quality Improvement Program.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Loudon Utilities as follows:

Section 1. The Board of Directors of Loudon Utilities hereby authorizes the surplus of the 1987 Chevrolet C7D VIN 1GBL7D1F5JV105810.

Section 2. The vehicle is hereby authorized for the final disposition to be handled as per the regulations of the Congestion Mitigation and Air Quality Improvement Program.

Secretary

Chairman

Passed: _____

RESOLUTION NO. 2020-__

**ESTABLISHING NATURAL GAS RATES
EFFECTIVE APRIL 2020**

WHEREAS, Loudon Utilities purchases natural gas at the first of the month index price; and

WHEREAS, It is therefore necessary to change the natural gas rate each month based on the price of gas that is being purchased for resale; and

WHEREAS, The Utility Manager has recommended the price for the sale of gas for customers other than interruptible and process load customers be set at \$1.00 per 100 cubic feet for all meters read after April 1, 2020.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Loudon Utilities as follows:

Section 1. The natural gas rate for meters for customers other than interruptible and process load customers read on or after April 1, 2020 shall be \$1.00 per 100 cubic feet.

Secretary

Chairman

Passed: _____

GAS RATE COMPUTATIONS

	Rate Effective 3/1/2019	Rate Effective 4/1/2019	Rate Effective 5/1/2019	Rate Effective 6/1/2019	Rate Effective 7/1/2019	Rate Effective 8/1/2019	Rate Effective 9/1/2019	Rate Effective 10/1/2019	Rate Effective 11/1/2019	Rate Effective 12/1/2019	Rate Effective 1/1/2020	Rate Effective 2/1/2020	Rate Effective 3/1/2020	Rate Effective 4/1/2020
Gas Supply Cost	2.8800	3.3346	2.6500	2.5000	2.5600	2.2000	2.0600	2.1900	2.3800	2.5400	2.4100	2.0800	2.0512	1.9524
Pipeline Charges	0.1218	-0.1452	0.0973	0.0929	0.0947	0.0844	0.0804	0.0841	0.0896	0.1082	0.1305	0.2110	0.0585	0.0628
Supply Management	<u>0.0450</u>	<u>0.0450</u>	<u>0.0450</u>	<u>0.0450</u>	<u>0.0450</u>	<u>0.0450</u>	<u>0.0450</u>							
SubTotal	3.0468	3.2344	2.7923	2.6379	2.6997	2.3294	2.1854	2.3191	2.5146	2.6932	2.5855	2.3360	2.1547	2.0602
BTU & System Loss (8%)	0.2437	0.2588	0.2234	0.2110	0.2160	0.1864	0.1748	0.1855	0.2012	0.2155	0.2068	0.1869	0.1724	0.1648
Demand Unit Charge	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370	2.7370
Storage Charges	<u>0.5900</u>	<u>0.5900</u>	<u>0.5900</u>	<u>0.5900</u>	<u>0.5900</u>	<u>0.5900</u>	<u>0.5900</u>							
Cost of Gas	6.6175	6.8202	6.3427	6.1759	6.2427	5.8428	5.6872	5.8316	6.0428	6.2357	6.1193	5.8499	5.6541	5.5520
System Operations	<u>4.4745</u>	<u>4.4745</u>	<u>4.4745</u>	<u>4.4745</u>	<u>4.4745</u>	<u>4.4745</u>	<u>4.4745</u>							
Cost per MCF	\$ 11.0920	\$ 11.2947	\$ 10.8172	\$ 10.6504	\$ 10.7172	\$ 10.3173	\$ 10.1617	\$ 10.3061	\$ 10.5173	\$ 10.7102	\$ 10.5938	\$ 10.3244	\$ 10.1286	\$ 10.0265
Rate per 100 Cubic Feet	\$ 1.11	\$ 1.13	\$ 1.08	\$ 1.07	\$ 1.07	\$ 1.03	\$ 1.02	\$ 1.03	\$ 1.05	\$ 1.07	\$ 1.06	\$ 1.03	\$ 1.01	\$ 1.00
Cost to Rate Ratio	27.06%	28.24%	25.40%	24.35%	24.77%	22.14%	21.06%	22.07%	23.48%	24.73%	23.98%	22.19%	20.83%	20.10%

Tennessee Valley Authority

Fuel Cost Adjustment

Effective: from October 1, 2006

FCA	TERM	FCA	Base Fuel Amount	New FCA Amount	Residential Increase per 1,000 kWh	Cumulative Increase
Jan	2016	(0.103)	1.994	1.891	-0.36	-1.03
Feb	2016	(0.319)	1.994	1.675	-2.16	-3.19
Mar	2016	(0.258)	1.994	1.736	0.61	-2.58
Apr	2016	(0.277)	1.994	1.717	-0.19	-2.77
May	2016	(0.362)	1.994	1.632	-0.85	-3.62
Jun	2016	(0.157)	1.994	1.837	2.05	-1.57
Jul	2016	0.202	1.994	2.196	3.59	2.02
Aug	2016	0.187	1.994	2.181	-0.15	1.87
Sep	2016	0.186	1.994	2.180	-0.01	1.86
Oct	2016	0.172	1.994	2.166	-0.14	1.72
Nov	2016	0.166	1.994	2.160	-0.06	1.66
Dec	2016	0.263	1.994	2.257	0.97	2.63
Jan	2017	0.149	1.994	2.143	-1.14	1.49
Feb	2017	0.048	1.994	2.042	-1.01	0.48
Mar	2017	(0.067)	1.994	1.927	-1.15	-0.67
Apr	2017	(0.039)	1.994	1.955	0.28	-0.39
May	2017	0.019	1.994	2.013	0.58	0.19
Jun	2017	0.028	1.994	2.022	0.09	0.28
Jul	2017	0.217	1.994	2.211	1.89	2.17
Aug	2017	(0.001)	1.994	1.993	-2.18	-0.01
Sep	2017	(0.282)	1.994	1.712	-2.81	-2.82
Oct	2017	(0.287)	1.994	1.707	-0.05	-2.87
Nov	2017	(0.130)	1.994	1.864	1.57	-1.30
Dec	2017	(0.131)	1.994	1.863	-0.01	-1.31
Jan	2018	(0.182)	1.994	1.812	-0.51	-1.82
Feb	2018	(0.150)	1.994	1.844	0.32	-1.50
Mar	2018	0.024	1.994	2.018	1.74	0.24
Apr	2018	(0.006)	1.994	1.988	-0.30	-0.06
May	2018	(0.073)	1.994	1.921	-0.67	-0.73
Jun	2018	(0.113)	1.994	1.881	-0.40	-1.13
Jul	2018	(0.102)	1.994	1.892	0.11	-1.02
Aug	2018	(0.101)	1.994	1.893	0.01	-1.01
Sep	2018	(0.326)	1.994	1.668	-2.25	-3.26
Oct	2018	(0.158)	1.994	1.836	1.68	-1.58
Nov	2018	(0.074)	1.994	1.920	0.84	-0.74
Dec	2018	(0.050)	1.994	1.944	0.24	-0.50
Jan	2019	0.034	1.994	2.028	0.84	0.34
Feb	2019	(0.085)	1.994	1.909	-1.19	-0.85
Mar	2019	(0.203)	1.994	1.791	-1.18	-2.03
Apr	2019	(0.314)	1.994	1.680	-1.11	-3.14
May	2019	(0.336)	1.994	1.658	-0.22	-3.36
Jun	2019	(0.247)	1.994	1.747	0.89	-2.47
Jul	2019	(0.140)	1.994	1.854	1.07	-1.40
Aug	2019	(0.321)	1.994	1.673	-1.81	-3.21
Sep	2019	(0.491)	1.994	1.503	-1.70	-4.91
Oct	2019	(0.466)	1.994	1.528	0.25	-4.66
Nov	2019	(0.236)	1.994	1.758	2.30	-2.36
Dec	2019	(0.247)	1.994	1.747	-0.11	-2.47
Jan	2020	(0.162)	1.994	1.832	0.85	-1.62
Feb	2020	(0.357)	1.994	1.637	-1.95	-3.57
Mar	2020	(0.367)	1.994	1.627	-0.10	-3.67
Apr	2020	(0.564)	1.994	1.430	-1.97	-5.64
May	2020					
Jun	2020					
Jul	2020					
Aug	2020					
Sep	2020					
Oct	2020					
Nov	2020					
Dec	2020					

* Beginning April 1st 2011 TVA removed all fuel costs from the base rates and will include all fuel costs in the Fuel Cost Adjustment in the future