

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
MAY 11, 2016**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, May 11, 2016. The meeting was called to order by Mr. Akers at 4:00 p.m. pursuant to notice as required by law. The following Board members were present: S. Akers, M. Costin, G. Ward, and J. Edwards. Others present: P. Roberts-City Attorney, R. Merriman, B. Tillett, J. Languell - City Council Liaison, and B. Yankey-Peru Tribune.

1.) APPROVAL OF BOARD MINUTES OF APRIL 27, 2016:

Mr. Ward moved to accept the Board minutes of the April 27, 2016, meeting as mailed. The motion was seconded by Mrs. Edwards. The motion carried.
Mr. Akers pointed out that Mr. Richter’s Board member position was still open and that the Mayor’s office had not yet appointed a replacement for the seat.

2.) PAYMENT OF CLAIMS:

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

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, June 1, 2016, at 4:00 p.m. in the Utility Service Board room.

4.) OLD BUSINESS: None

5.) NEW BUSINESS:

ELECTION OF SECRETARY: Mr. Akers stated that with the recent resignation of Mr. Richter as Secretary of the Board, an election of current Board members would be held to find a suitable candidate to complete the term left.

Ms. Costin moved to nominate Mr. Ward to complete the remainder of Mr. Richter’s term as secretary to the Peru Utility Service Board. The secretary’s term expires on 12/31/2016. Mrs. Edwards seconded the nomination and the motion carried.

A.) APPROVAL OF 3RD QUARTER 2016 ELECTRIC RATES – TRACKER ADJUSTMENT:

			Net Change
			New Factors
	New	Current	minus
	Factors	Factors	Current Factors
	Per kWh	Per kWh	Per kWh
Residential Rate RS	0.034666	0.041007	(0.006341)
Power Rate GSA-1	0.035052	0.035985	(0.000933)
Demand Rate PS	0.034662	0.031409	0.003253
Muni Street Lgtg Rate MSL-1	0.015228	0.014030	0.001198
Traffic Lgtg – Rate TL	0.013301	0.012231	0.001070
Average for all Rate Classes	0.034334	0.035159	(0.000825)

For the 3rd Quarter 2016, the tracker decreased an average of \$.000825 per kWh over all of our electric customer rates. The residential customer rates will see a decrease of \$.006341 per kWh, the power/commercial customer’s electric rates will decrease \$.000933 per kWh and the demand customer rates will increase \$.003253 per kWh.

A motion was made by Mr. Ward to accept the 3rd Quarter 2016 Electric Rates – Tracker Adjustment, and seconded by Mrs. Edwards. Ms. Costin noted that it was a slight decrease for residential rates. The motion passed unanimously.

The 3rd Quarter 2016, filing will be on the City Council’s Monday, June 6, 2016, for their approval.

B.) APPROVAL OF BAD DEBTS WRITE-OFFS, OCTOBER 1, 2015 THROUGH DECEMBER 31, 2015:

The bad debt write-offs October 1, 2015 – December 31, 2015, were reviewed and Mr. Merriman requested permission to write-off the delinquent accounts.

	Peru	Grissom	Total
Electric	\$14,143.78	\$ -	\$14,143.78
Water	1,613.63	1,437.82	3,051.45
Wastewater	347.80	-	347.80
Stormwater	59.43	-	59.43
Trash	178.29	-	178.29
Total	\$16,342.93	\$ 1,437.82	\$17,780.75

The write-off represents 0.28% of our October through December 2015 operating revenue, excluding wastewater, stormwater and trash.

Mrs. Edwards made a motion to grant permission to write-off the delinquent Accounts, October through December 2015, for \$17,780.75. Mr. Ward seconded the motion. The motion carried.

Mr. Ward noted that in one of the earlier meetings it was mentioned whether Peru Utilities could share information about non-paying customers with REMC or any other entity that could use the information so that a background check of a customer could be made when the individual applied for services with other companies. Mrs. Edwards noted that the subject came up because an insurance company had inquired information about one of our customer’s water account. There was discussion and Mr. Merriman said that he would check his e-mails; he thought he may have contacted IMPA’s legal office and gotten an opinion from them.

Ms. Costin inquired if the Bad-Debt Write-Offs could be made public information and be published. Mr. Akers stated that he was not in favor of a

list being published. Mr. Merriman noted that the utility would be asking for trouble, if we attempted such a thing.

6.) CITY ADMINISTRATION UPDATE:

Mrs. Languell reported that Ken Combs from Wabash, Indiana, had purchased the old Riverside Trailer Park, located on Riverside Drive. He is planning to remove the mobile homes to build new storage units. She noted that the new storage units were very attractive, with brick façade, and that there would be a small retention pond dug at the west end of the block. It was noted that Ken Combs had similar units already in place at the north end of town in Wabash, Indiana. Mrs. Languell stated that the project would not be immediate, but would take some time for residents currently living in the trailer park to evacuate. After that the site would be filled with new soil, before construction of storage units would begin.

7.) CITY ATTORNEY’S UPDATE:

Attorney Roberts said that in regards to Ms. Costin’s suggestion about publishing Bad-Debt Write-Offs, he was in agreement with Mr. Akers and Mr. Merriman that we could not publish the Bad-Debt Write-Offs.

8.) MANAGER’S REPORT:

9.) ADJOURNMENT:

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

Geoff Ward, Secretary Peru Utilities Service Board