

**PERU UTILITIES
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF
NOVEMBER 9, 2016**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, November 9, 2016. The meeting was called to order by Mr. Akers at 4:00 p.m. pursuant to notice as required by law following an executive session. The following Board members were present: S. Akers, M. Costin, G. Ward, Dr. J. Crawshaw, and Jami Edwards. Others present: P. Roberts-City Attorney, J. Pandy, B. Tillett, L. Starkey, L. France, S. Hines, J. Chance, J. Languell- Council Liaison, and B. Yankey-Peru Tribune.

1.) APPROVAL OF BOARD MINUTES OF OCTOBER 26, 2016:

On a motion from Ms. Costin, seconded by Mr. Ward, the minutes from October 26, 2016, were approved. The motion carried unanimously.

2.) PAYMENT OF CLAIMS:

A motion was made by Mrs. Edwards to approve the claims as presented. Dr. Crawshaw seconded the motion and the motion carried.

3.) NEXT REGULAR MEETING:

The next regular meeting will be held Wednesday, November 30, 2016, at 4:00 p.m. in the Utility Service Boardroom.

4.) AGENDA AMENDMENTS:

Mr. Ward made a motion to amend the agenda to add Items "B"- Recommendation to Award Contract to National Salvage and Service Corporation for the Power Plant Demolition, and Item "C" Resolution 4-2016, Retirement Fund for the General Manager's position. Dr. Crawshaw seconded the motion and the motion carried unanimously.

5.) OLD BUSINESS: None

6.) NEW BUSINESS:

A.) DESIGNATE A PUBS MEMBER TO PARTICIPATE IN UNION CONTRACT NEGOTIATIONS WITH LOCAL AFSCME #1030:

Mr. Pandy said so far one meeting had been conducted; the union had presented their proposal. Both sides will continue joint contract negotiations in November. Mr. Pandy asked if a Board member wanted to participate in these discussions and it was decided Mr. Ward would continue to participate in that capacity.

B.) RECOMMENDATION TO AWARD CONTRACT TO NATIONAL SALVAGE AND SERVICE CORPORATION FOR THE POWER PLANT DEMOLITION:

Mr. Roberts reported his investigation to the Board in regards to the bid in question from the company Dore & Associates Contracting, Inc., that was received for the Power Plant demolition. He recently corresponded with Dore

& Associates; their Chairman responded and stated if we did not wish to accept their bid as submitted with the additional charges they would withdraw their bid. Mr. Roberts recommended the bid from Dore & Associates Contracting, Inc., not be considered and be considered withdrawn voluntarily by the company. Mr. Roberts stated that since Dore & Associates Contracting, Inc., has stated that they would withdraw their bid, we are now accepting the next low bid from National Salvage.

Mr. Ward inquired if at a previous meeting the Board had made the decision to make the ground at the power plant a green space after demolition because he felt the cost was considerably less than the \$2.6 M. It was noted that there was a great amount of discussion at the beginning of the year as to making it a green space after demolishment; no decision was made at that time. Mr. Hines recalled a discussion some time back that if it were just made into a green space it would be a contaminated site for any future expansion or construction; it would be costlier to remove the contaminants at a later date. This way we are removing any type of contaminated soil that could continue to damage the ground.

Mr. Pandey reported that staff recommends that the Power Plant Demolition be awarded to National Salvage and Service Corporation for their Option #3 Bid; a complete demolition of all structures and foundations down to native soils. The cost is \$2,684,000; financials to cover the cost of this project is included in our electric fund. Mr. Pandey reported that National Salvage is a competent contractor that can perform the project safely and efficiently.

A motion was made by Mrs. Edwards and seconded by Ms. Costin to approve the second low bid, Option #3, from National Salvage & Service Corporation for the Power Plant Demolition for the amount of \$2,684,000. The motion carried.

C.) CONSIDERATION OF RESOLUTION 4-2016:

Mr. Pandey reported Resolution 4-2016, designates that it is the intention of the Board that the General Manager’s position is withdrawn from the Indiana Public Employee Retirement Fund (PERF). After Board approval, the resolution will be sent to PERF for review. We will see what their response is and get to the Board with further information.

Dr. Crawshaw made the motion to accept the Resolution 4-2016, that the General Manager’s position is withdrawn from the Indiana Public Employee Retirement Fund (PERF). Mr. Ward seconded the motion and the motion carried unanimously.

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

8.) **CITY ATTORNEY’S UPDATE:** None

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

WATER RATES PUBLIC HEARING:

Mr. Pandy said he greatly appreciated the Board members and employees that had attended the Public Hearing on increasing the water rates; the common council passed the water rate increase unanimously. He presented a standard bottle of water to the Common Council to show that the cost is much higher for bottled water than tap water. The new water rate approved by the council is \$23.72 for 3,000/gallon, which is 8/10th of one cent; less than a penny per gallon. He also exhibited old pipes that showed indication of problems; they were old and beginning to deteriorate and corrosion had occurred, the time had come to replace them. We have advised Umbaugh & Associates to proceed with the water rate case.

10.) **ADJOURNMENT:**

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

Geoff Ward, Secretary Peru Utilities Service Board