

**PERU UTILITIES  
MINUTES OF THE PERU UTILITIES SERVICE BOARD MEETING OF  
OCTOBER 4, 2017**

The Peru Utilities Service Board held a meeting at the Peru office at 335 East Canal Street, Peru, Indiana, on Wednesday, October 4, 2017. Mr. Akers called the meeting to order at 4:00 p.m. pursuant to notice as required by law. The following Board members were present: S. Akers, M. Costin, G. Ward, J. Edwards and M. Burnell. Others present L. Starkey, B. Tillett, J. Languell-City Council Liaison, and D. Swetnam and T. Swetnam-Miami County News.

**1.) APPROVAL OF BOARD MINUTES OF SEPTEMBER 20, 2017:**

*Mr. Ward moved that the minutes of September 20, 2017, be approved. Ms. Costin seconded the motion. The motion passed.*

**2.) PAYMENT OF CLAIMS:**

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

**3.) NEXT REGULAR MEETING:**

The next regular meeting will be held Wednesday, October 18, 2017, at 4:00 p.m. in the Utility Service Boardroom.

**4.) PUBLIC COMMENT:**

Mr. Don and Mrs. Tracy Swetnam introduced themselves and explained they are a free online local news service for Miami County. This online news service has been operating since May of this year. They are available at **peruindianatoday.com** and can also be viewed on Facebook.

**5.) OLD BUSINESS: None**

**6.) NEW BUSINESS:**

**A.) CONSIDER RESOLUTION TO PLACE GENERAL MANAGER POSITION UNDER PERF:**

November 9, 2016, the Board voted to remove the General Manager position from the Public Employee Retirement Fund (PERF) so that Mr. Pandy's pension contributions could be directed elsewhere. This resolution is the necessary step to redirect the General Manager's retirement contribution back into PERF. Since PERF contributions have been made on Mr. Chance's behalf all along, there should not be any additional expense associated with this change. PERF will notify us if there is any additional charge to make the change. There could be an extra step if PERF determines we have to pay for the change.

*Mr. Ward made the motion to redirect the General Manager's retirement contribution back into PERF. Ms. Costin seconded the motion and the motion passed.*

**B.) CONSIDER RECOMMENDATION FOR ENGINEERING CONSTRUCTION SERVICES FOR RIVER CROSSING PORTION OF THE SRF DRINKING WATER PROJECT:**

Mr. Chance reported Strand Associates previously performed engineering work for this under an RFP before we went through the SRF process and hired Wessler Engineering. We have let Strand continue their engineering because we had paid their organization in the past to perform the engineering work and by doing so we would not have to start the process again under Wessler. This is an addendum to that; we have already paid them to provide us with the as-built drawings and assist us with the process because boring or making an open cut in a river is not something we perform. The estimate is \$70,000, but it is felt the cost will not come close to that. That cost is for services conducted for a year. This would be considered not to exceed \$70,000.

*Mrs. Edwards made the motion to contract with Strand Associates for construction services for the river crossing portion of the SRF drinking water projects not to exceed \$70,000. Mr. Ward seconded the motion and the motion passed.*

**7.) CITY ADMINISTRATION UPDATE:**

Mrs. Languell reported that on October 2, 2017, Council members voted to adopt the 4<sup>th</sup> Quarter 2017 Tracker Filing. In addition, a proposal was presented to Council to spend money on restoration and repair of the deteriorating Stonger building.

**8.) CITY ATTORNEY’S UPDATE:**

The Board of Works recently approved to continue the SBA agreement with the City of Peru. Attorney Dustin Kern and Mr. Chance attended the Peru Municipal Facilities Corporation (PMFC) public meeting, the PMFC has agreed to the SBA Agreement. The easement agreement is for 25 years but can extend to 55 years. SBA will send us payment after they receive the contract.

**9.) MANAGER’S REPORT:**

**UNDERGROUND SERVICES:**

Mr. Chance referenced an information sheet to the Board about the pros and cons of converting overhead electric power distribution facilities to underground.

**CONSERVATION VOLTAGE REDUCTION (CVR):**

Mr. Chance noted that at the previous board meeting he had discussed our revenues comparing this year to the previous year. He had briefly mentioned Conservation Voltage Reduction (CVR); he referenced a handout which explained CVR and how it saves on energy costs but equates to revenue loss.

**AMI:**

Mr. Chance stated the original financing approved by the City Council for AMI was 3.25%. However, after bidding it out it was settled with Stifel for a 2.44% interest rate, which is a saving of \$250,000 over ten years. Now that we know what the final interest rate is, we will have to get the city council to clarify the new interest rate with a resolution. There was a discussion about the SRF financing and how Lisa Lee, Ice Miller Bond Council is investigating how the current SRF loans will impact the loan for the AMI. The next city council meeting is November 6, 2017. It is hoped to finalize the loan by November 17.

**IMPA 2018 RATE STUDY:**

Mr. Chance summarized IMPA's 2018 wholesale rates to the Board based on IMPA's projection load for each member. He said it still depends on our load factor, coincidental peak, and the weather.

**NEW EMPLOYEE:**

Effective Monday, October 16, 2017, Jack Windsor has accepted the position of 2<sup>nd</sup> Class Stormwater Maintenance.

**IMPA:**

Mr. Akers inquired as to how our relationship was with IMPA. Mr. Chance reported his initial reception at last Friday's Commissioners meeting was very cordial and he saw no reason why that couldn't continue. He said since we have a long-term contract with IMPA he felt that things were on the right track.

**WATER LOSSES:**

Mrs. Edwards inquired if we are still on target with decreasing water losses. Mr. Chance reported we have decreased losses another 10%, we are in the high 30's at this point and are steadily decreasing the percentage. Last year losses were above 48%. The larger water losses are more easily detected but it takes more money to locate the smaller losses. In the future, water losses will be solved by implementing AMI.

**10.) ADJOURNMENT:**

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

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Geoff Ward, Secretary Peru Utilities Service Board